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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA,

Case No. 1:19-cr-227
1:23-cr-37
(LJV)

v.
Plaintiff,

PETER GERACE, JR.,

November 6, 2024

Defendant.

TRANSCRIPT EXCERPT - GOVERNMENT OPENING BY JOSEPH TRIPI
BEFORE THE HONORABLE LAWRENCE J. VILARDO
UNITED STATES DISTRICT JUDGE

APPEARANCES: TRINI E. ROSS, UNITED STATES ATTORNEY

BY: JOSEPH M. TRIPI, ESQ.

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For the Defendant

PRESENT:

KAREN A. CHAMPOUX, USA PARALEGAL

BRIAN A. BURNS, FBI SPECIAL AGENT

MARILYN K. HALLIDAY, HSI SPECIAL AGENT

LAW CLERK:

REBECCA FABIAN IZZO, ESQ.

COURT CLERK:

COLLEEN M. DEMMA

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Robert H. Jackson Courthouse
2 Niagara Square
Buffalo, New York 14202
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1 (Excerpt commenced at 1:27 p.m.)

2 (Jury is present.)

01:27PM 3 **MR. TRIPI:** Thank you, Your Honor.

01:27PM 4 May it please the Court, counsel, members of the
01:27PM 5 jury.

01:27PM 6 Gabby wanted to be a nurse. She never wanted this.

01:27PM 7 She never wanted to be so heavily addicted to drugs,
01:27PM 8 and to have such a fear of withdrawal and severe sickness that
01:27PM 9 she would do anything to avoid it.

01:27PM 10 The euphoria from the cocaine that he gave her was
01:27PM 11 wearing off. She felt disgusted and ashamed. She had never
01:27PM 12 done that before. She never imagined in a million years that
01:27PM 13 she would.

01:27PM 14 The guy zipped up his pants, and she got herself
01:28PM 15 dressed. She couldn't look at him. They were strangers, they
01:28PM 16 had nothing to say to each other. Instead, she looked in the
01:28PM 17 mirror above the sink in the bathroom. Everything felt
01:28PM 18 filthy. How did she get here?

01:28PM 19 She heard voices outside the door. They were still
01:28PM 20 there in his private upstairs area, the one he kept under lock
01:28PM 21 and key. The one he controlled.

01:28PM 22 That night, it was a few of his friends and a couple
01:28PM 23 of other dancers. They were laughing, talking, as Gabby stood
01:28PM 24 frozen trying to recognize the person staring back at her in
01:28PM 25 the mirror. She wanted to take it back; to rewind time; to

01:28PM 1 say no when he invited her upstairs to, quote, unquote,
01:28PM 2 "party" with him; to turn around when she got to the carpeted
01:29PM 3 stairs that led up there worn by victims that have came before
01:29PM 4 her; to refuse the cocaine as he passed it around, of course,
01:29PM 5 by this time her addiction, which he fueled, was in control,
01:29PM 6 not her.

01:29PM 7 See, at that moment, every fiber of her being needed
01:29PM 8 that cocaine. He knew that. He exploited that. She put the
01:29PM 9 cocaine up to her nose and she inhaled deeply. The relief was
01:29PM 10 immediate. It made everything more bearable. The high washed
01:29PM 11 over Gabby. At that moment, the man, her boss, the owner of
01:29PM 12 the strip club, looked at her and said entertain my friend.
01:29PM 13 Hook up with my buddy and I'll take care of you. It wasn't an
01:29PM 14 option, it was a directive and an order from her boss who had
01:30PM 15 just served her cocaine.

01:30PM 16 She was standing next to him in his private area of
01:30PM 17 his club where he controlled the job she so desperately
01:30PM 18 needed. He took \$200 out, and pressed the crisp bills against
01:30PM 19 her palm. Seconds passed like minutes. Her boss looked at
01:30PM 20 her. Gabby closed her hand around the bills, she felt numb.
01:30PM 21 She turned around, she took the stranger into the bathroom,
01:30PM 22 and did as her boss directed. Gabby did what her boss gave
01:30PM 23 her the cocaine to do. Gabby did what her boss gave her the
01:30PM 24 money to do. Gabby did as her boss directed.

01:30PM 25 She lost control of herself. He had control now.

01:31PM 1 She succumbed to the circumstances, the circumstances he
01:31PM 2 created. She did what he said. She did what he wanted. For
01:31PM 3 the first time in her life, Gabby had sex for drugs and money,
01:31PM 4 and there was no turning back from that. Gabby knew it, she
01:31PM 5 would never be the same. And she wasn't for a long time in
01:31PM 6 her life.

01:31PM 7 Who was the man that gave Gabby the cocaine, and the
01:31PM 8 \$200, and the directive to have sex with his friend?

01:31PM 9 It's this defendant, seated right there in the middle
01:31PM 10 of that table, Peter Gerace.

01:31PM 11 That's why we're here today. Because this defendant
01:31PM 12 coerced and sexually exploited young, vulnerable women for his
01:31PM 13 own benefit, and at his strip club in Cheektowaga, New York,
01:31PM 14 Pharaoh's Gentlemen's Club, and he did it with others for
01:32PM 15 years.

01:32PM 16 Gabby's just one of the many victims who you'll hear
01:32PM 17 about in this case, and her story is a microcosm for what this
01:32PM 18 case is about.

01:32PM 19 It's a case about a man, this defendant, who hired
01:32PM 20 young women to work in his strip club, and then he studied
01:32PM 21 them, he tested them, he learned their vulnerabilities, he
01:32PM 22 groomed them, and he used drugs and other coercive tactics to
01:32PM 23 control them to make vulnerable young women engage in
01:32PM 24 commercial sex with him and other men.

01:32PM 25 It's also a case about a man, this defendant, who

01:32PM 1 leveraged his relationship with a dirty and corrupt federal
01:32PM 2 agent to get away with drug and sex trafficking that occurred
01:32PM 3 in his strip club for years.

01:32PM 4 It's a case about a man, this defendant, who knew
01:33PM 5 when the investigation on him got focused and commenced, he
01:33PM 6 knew what he was guilty of, and so he, through his cronies and
01:33PM 7 associates, tried to tamper with a witness to stifle an
01:33PM 8 investigation so that this day would never come.

01:33PM 9 It's a case about a man, this defendant, who used his
01:33PM 10 money, his power, and his control, to exploit everything and
01:33PM 11 everyone around him for his benefit and the people he wanted
01:33PM 12 to benefit at Pharaoh's.

01:33PM 13 Now, this defendant is charged with a number of
01:33PM 14 crimes, and those crimes fall broadly into four categories,
01:33PM 15 you heard the judge talk about them already.

01:33PM 16 First, the defendant used his strip club, Pharaoh's,
01:33PM 17 as a headquarters for drug distribution, drug use, to fuel sex
01:33PM 18 trafficking. That covers the drug and sex-trafficking charges
01:34PM 19 set forth in Counts 3, 4, and 5 of the indictment. And I'll
01:34PM 20 explain how the evidence in this case will show how those
01:34PM 21 counts were interconnected and how they relate to one another.

01:34PM 22 Second group. As charged in Counts 1 and 2 of the
01:34PM 23 indictment, to protect himself and his criminal conduct at
01:34PM 24 Pharaoh's, this defendant is charged with conspiring with a
01:34PM 25 corrupt Drug Enforcement Administration, known as the DEA,

01:34PM 1 special agent named Joseph Bongiovanni, a longtime childhood
01:34PM 2 friend who was loyal to the defendant, and who agreed to
01:34PM 3 defraud the United States and violate his oath and duty by
01:34PM 4 protecting this defendant from investigation, arrest, and
01:34PM 5 federal prosecution.

01:34PM 6 And you'll see how the evidence show that this
01:34PM 7 defendant's status, his friendship to that corrupt agent, and
01:35PM 8 cash payments to that corrupt agent, all combine together to
01:35PM 9 ensure this defendant was protected. By virtue of that
01:35PM 10 corrupt agent, who he was friends with, the defendant had in
01:35PM 11 his pocket a proverbial get-out-of-jail-free card.

01:35PM 12 Third. When that corrupt agent, Bongiovanni himself,
01:35PM 13 fell into federal investigation, and ultimately public
01:35PM 14 indictment, you'll see how the defendant, through the help of
01:35PM 15 some of his loyalists, associates, took matters into his own
01:35PM 16 hands. And he tried to tamper with a witness in order to
01:35PM 17 intimidate and silence the witness, to prevent the witness
01:35PM 18 from speaking to authorities and testifying here about this
01:35PM 19 defendant's criminal activity.

01:35PM 20 Now the drug charges. He's charged with conspiring
01:35PM 21 to distribute drugs here in Western New York, and to
01:36PM 22 maintaining his strip club, Pharaoh's, as a drug-involved
01:36PM 23 premises roughly between 2009 and 2019. He's also charged not
01:36PM 24 just with conspiring and agreeing to do that, but with
01:36PM 25 actually maintaining Pharaoh's as a drug-involved premises.

01:36PM 1 And that goes back even further from 2006, about when it
01:36PM 2 opened, to 2019.

01:36PM 3 But the agreement, the criminal partnership that he
01:36PM 4 had with others, was for the defendant and others who worked
01:36PM 5 closely with him at Pharaoh's, his preferred team of drug
01:36PM 6 dealers, good friends and employees of Pharaoh's to distribute
01:36PM 7 drugs, cocaine, heroin, marijuana, Adderall. And he used that
01:36PM 8 club to do it. That was his headquarters.

01:36PM 9 And distribution didn't just mean selling drugs,
01:37PM 10 though that happened, it also meant sharing and giving drugs,
01:37PM 11 providing it, distributing it, sometimes without any profit,
01:37PM 12 often without any profit, to drug addicted dancers who needed
01:37PM 13 the drugs. He did that to control them, over and over and
01:37PM 14 over again.

01:37PM 15 You see, drug possession, use, and distribution at
01:37PM 16 Pharaoh's led by this defendant with the help of others ran
01:37PM 17 rampant at Pharaoh's. It included everyone from customers, to
01:37PM 18 employees, to the defendant himself. And so he's not just
01:37PM 19 charged with agreeing that drug deals would be occurring at
01:37PM 20 Pharaoh's or distribution would be occurring, but with also
01:37PM 21 actually doing it.

01:37PM 22 Because maintaining Pharaoh's as a drug-involved
01:37PM 23 premises, a drug-fueled premises to create that environment
01:38PM 24 for sex trafficking was a critical part, an important purpose
01:38PM 25 of Pharaoh's. It was the business model that profited him so.

01:38PM 1 And you'll learn that the drugs were the lubricant
01:38PM 2 for the sex trafficking. So let's talk about that
01:38PM 3 sex-trafficking conspiracy, that agreement, that this
01:38PM 4 defendant is charged with having with others to traffic, to
01:38PM 5 coerce these young women between 2009 and 2018.

01:38PM 6 This is Count 5 of the indictment. As charged and as
01:38PM 7 the evidence will show, the defendant agreed others to
01:38PM 8 recruit, maintain, and provide young and vulnerable women, and
01:38PM 9 to make them available for sex acts to men at Pharaoh's, men
01:38PM 10 that were important to him, men who spent a lot of money.

01:38PM 11 This agreement that he had with those men, those
01:39PM 12 johns, if you will, and his handpicked staff that helped him
01:39PM 13 do it, well, it was express and implied through a pattern of
01:39PM 14 repeating conduct. The defendant and the others knew or at
01:39PM 15 least recklessly disregarded that they were using force,
01:39PM 16 fraud, coercion, to make these young and vulnerable women
01:39PM 17 perform sex acts, you'll hear them called commercial sex acts,
01:39PM 18 in exchange for drugs that they needed for fear of serious
01:39PM 19 withdrawal, money that they needed to get drugs so they would
01:39PM 20 not be in withdrawal, and anything else of value.

01:39PM 21 You'll learn that coercion, as this defendant
01:39PM 22 implemented it with others, means a threat of serious harm.
01:39PM 23 It could be physical or nonphysical, but you'll learn that sex
01:39PM 24 traffickers like this defendant and those who helped him, use
01:40PM 25 drugs and drug addiction as a primary means of coercion. And

01:40PM 1 that the victim's fear of withdrawal from powerful, powerful
01:40PM 2 drugs was a serious threat of harm weaponized by this
01:40PM 3 defendant and others. That's what the evidence will show this
01:40PM 4 defendant did.

01:40PM 5 He preyed on their vulnerabilities, introduced them
01:40PM 6 to drugs, or help worsen existing addictions to control them,
01:40PM 7 to keep them compliant, to coerce them to engage in those
01:40PM 8 commercial sex acts. Either way, the defendant either led
01:40PM 9 these women or helped them in the throes of horrific
01:40PM 10 addictions. Once they were in his hell, also known as
01:40PM 11 Pharaoh's, they were dependent on the defendant and his team
01:40PM 12 of dealers in that club to help keep them high, to get money,
01:40PM 13 to get drugs, they were physically and psychologically
01:40PM 14 controlled by the defendant and those working with him. They
01:40PM 15 did anything he told them for drugs, for money for drugs.

01:41PM 16 You'll learn that the defendant told them to engage
01:41PM 17 in sex acts with him personally, his friends, and high-paying
01:41PM 18 VIP customers. In exchange, they kept their drugs --
01:41PM 19 withdrawn, excuse me -- they kept their jobs, they were
01:41PM 20 provided drugs and money, things of value.

01:41PM 21 The defendant benefited from the sex acts that he
01:41PM 22 directed these women to engage in with the men he directed
01:41PM 23 them to engage in often because he personally used them for
01:41PM 24 sex as his sort of personal play things in his club, or
01:41PM 25 through the profits he saw flowing through his club and

01:41PM 1 ultimately into his pocket off of their work, their bodies, or
01:41PM 2 through the stature he gained among clientele that he
01:42PM 3 serviced. Clientele that sometimes included prominent people,
01:42PM 4 influential people, that he provided drugs and dancers to
01:42PM 5 cater to their sexual desires. People he wanted to please to
01:42PM 6 heighten his aura, to enhance his facade of legitimacy.

01:42PM 7 Now, the public corruption charges that I referenced,
01:42PM 8 that's conspiring with that corrupt agent, Bongiovanni, to
01:42PM 9 defraud the United States, to get him to not do his job. The
01:42PM 10 opposite of the agent's job is to protect drug dealers.
01:42PM 11 That's what the agent was doing. That was their agreement.

01:42PM 12 And it also included bribing that public official,
01:42PM 13 that DEA agent, roughly between 2005 and 2019. This was key
01:42PM 14 for the defendant. Protecting his criminal empire at
01:42PM 15 Pharaoh's, that drug and drug-infused sex trafficking that he
01:43PM 16 was engaging in, to keep it from being exposed and federally
01:43PM 17 investigated.

01:43PM 18 He had a longtime friendship and close relationship
01:43PM 19 with that DEA agent who, by outside appearances, was a normal,
01:43PM 20 respect, veteran DEA agent. But unbeknownst to the DEA, that
01:43PM 21 agency, Bongiovanni was beholden to criminal drug dealers who
01:43PM 22 he was close with, who he was friends with. This defendant.

01:43PM 23 That corrupt relationship and that agreement with his
01:43PM 24 friend and coconspirator DEA agent helped the defendant and
01:43PM 25 his club avoid serious trouble from federal investigating

01:43PM 1 agencies for years.

01:43PM 2 It helped the defendant get away with nearly a decade
01:43PM 3 of drug and sex trafficking headquartered at Pharaoh's.

01:43PM 4 This childhood friend, Bongiovanni, and the
01:43PM 5 defendant, you'll learn they grew up -- they basically grew up
01:43PM 6 together. The defendant needed protection from federal
01:44PM 7 authorities, and Bongiovanni was willing to provide it and
01:44PM 8 did. That was their agreement.

01:44PM 9 This defendant knew he was prominent. He knew his
01:44PM 10 club was easy to find over near the airport in Cheektowaga.
01:44PM 11 And he needed federal protection to conduct and continue drug
01:44PM 12 trafficking and sex trafficking, which benefitted him
01:44PM 13 tremendously and financially.

01:44PM 14 You'll learn that the defendant's need for protection
01:44PM 15 was enhanced because of who he was and who he knew.

01:44PM 16 Over time, you'll see through a mutual understanding
01:44PM 17 and repeated conduct between the defendant and Bongiovanni
01:44PM 18 over a course of a decade, that the agreement was for
01:44PM 19 Bongiovanni to protect Gerace, to shield him from federal
01:44PM 20 investigations, for Bongiovanni to violate his oath and duty
01:44PM 21 to the DEA, to give this defendant insider information,
01:44PM 22 law-enforcement sensitive information to help Gerace, this
01:45PM 23 defendant, get out of sticky situations as opportunities came
01:45PM 24 up, and they did, because along the way, federal -- other
01:45PM 25 federal agents expressed an interest in him, you'll learn how

01:45PM 1 Bongiovanni shoved those away and shut them down so he could
01:45PM 2 continue, so this defendant could continue. And Bongiovanni
01:45PM 3 did it because of their friendship, their loyalty to each
01:45PM 4 other, and in exchange for money called a quid pro quo.

01:45PM 5 Those are the Counts, Counts 1 and 2.

01:45PM 6 And then we get to the witness tampering charges.

01:45PM 7 The witness tampering charges are Counts 6, 7, and 8.

01:45PM 8 And then Count 9 kind of groups in the witness
01:45PM 9 tampering charges once you hear the facts, because he was
01:45PM 10 distributing cocaine at the same time he was having women who
01:45PM 11 were close to him threaten someone on Facebook.

01:45PM 12 So the witness tampering includes this defendant
01:46PM 13 intimidating, threatening, trying to corruptly persuade a
01:46PM 14 person, a witness, a young lady who you'll hear from named
01:46PM 15 Phlycia Hunt, to try hinder her, delay her, or prevent her
01:46PM 16 from talking to authorities or from testifying.

01:46PM 17 That's what happened here. I'll go into it in more
01:46PM 18 detail later.

01:46PM 19 But when this defendant's protection was eroding
01:46PM 20 because Bongiovanni had come under focus, well, that's when
01:46PM 21 the defendant, as I mentioned, tried to take the matters into
01:46PM 22 his own hands using others, other women, to tamper with
01:46PM 23 Phlycia.

01:46PM 24 Now Phlycia, she had been someone who had been
01:46PM 25 supplied drugs by this defendant, who had been provided more

01:46PM 1 and more drugs over time to engage in sex with defendant, and
01:46PM 2 who knew a lot about the defendant's criminal activities at
01:46PM 3 Pharaoh's and beyond its walls.

01:46PM 4 Evidence will show the defendant thought he could
01:46PM 5 control dancers, both inside and outside of Pharaoh's, to
01:46PM 6 silence them.

01:46PM 7 Now, under the sort of veneer of being the boss,
01:47PM 8 being the person who would give these dancers cocaine and
01:47PM 9 other drugs, or make sure they had access to them at his club,
01:47PM 10 of being the person who would invite them to the upstairs part
01:47PM 11 of Pharaoh's that he controlled to party and use drugs, who
01:47PM 12 even bought them nice things at times, underneath it all the
01:47PM 13 evidence will show he was a master manipulator and simply a
01:47PM 14 sexual predator, grooming young women to be play things for
01:47PM 15 him and his important friends. He was a sex trafficker who
01:47PM 16 ran a strip club protected by a corrupt federal agent, to sum
01:47PM 17 it up in one sentence. That's what the evidence will show.

01:47PM 18 For nearly a decade he ran that club, which Pharaoh's
01:47PM 19 opened in around 2005 here in Western New York out near the
01:47PM 20 airport. And although other names may have appeared on
01:47PM 21 ownership documents, at one point his parents owned it on
01:47PM 22 paper, he was the boss. He ran it. He was known as the
01:48PM 23 owner. He was in control.

01:48PM 24 Now, that drug and sex trafficking at Pharaoh's, it
01:48PM 25 was intertwined and was essential for his business model.

01:48PM 1 This was the business model. More drugs equals more sex.
01:48PM 2 More sex, by men who would pay money to have sex or engage in
01:48PM 3 sex acts with dancers, equalled ultimately more money, more
01:48PM 4 power, and more clout for the defendant.

01:48PM 5 As time went on, he progressed -- as he owns and runs
01:48PM 6 Pharaoh's, he progressed from living in an apartment at his
01:48PM 7 grandparents' house to owning a mansion in Clarence, New York.
01:48PM 8 His power and money grew as the depravity and his control of
01:48PM 9 Pharaoh's increased.

01:48PM 10 So the business model for this defendant, becoming
01:49PM 11 rich through running Pharaoh's, was to hire young, vulnerable
01:49PM 12 women, as I've mentioned, to keep them loose and vulnerable
01:49PM 13 and compliant through drugs and control. By making them
01:49PM 14 become coerced to do more than just dance.

01:49PM 15 It meant more men in the club buying food, buying
01:49PM 16 drinks, buying dances that the club got a portion of the
01:49PM 17 profits, all money that in one way or another ended up in his
01:49PM 18 pocket.

01:49PM 19 From there, once these women were hired, the process
01:49PM 20 of identifying, isolating, controlling them to be coerced and
01:49PM 21 enticed to go even farther. To engage in commercial sex acts
01:49PM 22 to satisfy not only his sexual desires but to satisfy the big
01:49PM 23 spenders and prominent men who could benefit him financially
01:49PM 24 through their spending, or benefit him in the outside world,
01:50PM 25 his clout in the community, to give him the aura of legitimacy

01:50PM 1 and respect that the evidence will show his ego desired.

01:50PM 2 But it started with the women the defendant hired.

01:50PM 3 That's where his control began. Once they got under his roof,
01:50PM 4 that's what his business model relied upon.

01:50PM 5 You'll learn that often a trafficker like this
01:50PM 6 defendant uses multiple coercive tactics against his victims.

01:50PM 7 Those tactics combine to create a force that overpowers the
01:50PM 8 victim's will. That's exactly what this defendant did. It
01:50PM 9 started by hiring those extremely vulnerable women at

01:50PM 10 Pharaoh's.

01:50PM 11 And then within that group, he targeted the most
01:50PM 12 vulnerable, because the most vulnerable were the easiest to
01:50PM 13 control.

01:50PM 14 How were they vulnerable? Well, many of them were
01:51PM 15 young. Many women began dancing at Pharaoh's when they were
01:51PM 16 just 18, teenagers, they were still developing. Most, many,
01:51PM 17 had little to no family support or contact. Many were on
01:51PM 18 their own, providing and supporting for themselves in every
01:51PM 19 way. Some had a little bit of education, a high school
01:51PM 20 diploma, maybe some college, others didn't have any.

01:51PM 21 Some came to Pharaoh's having never tried drugs, like
01:51PM 22 cocaine or heroin or opiates. Others had very little
01:51PM 23 experience with drugs. But then because of this defendant and
01:51PM 24 who you'll learn were his team of preferred friends and drug
01:51PM 25 dealers who worked with him at Pharaoh's, his trusted friends

01:51PM 1 who also sold drugs there -- to use the legal term, his
01:51PM 2 "coconspirators" -- these women descended further, rapidly,
01:52PM 3 and farther and farther into the depths of horrific addiction.
01:52PM 4 They became virtually totally controllable.

01:52PM 5 But all these women, all, shared one trait. They
01:52PM 6 were financially desperate.

01:52PM 7 None of these women will tell you they started
01:52PM 8 working there because they planned to trade sex for drugs and
01:52PM 9 money.

01:52PM 10 None of them started working there because they
01:52PM 11 aspired to engage in commercial sex acts in a coercive
01:52PM 12 environment, working for a controlling boss. No, they were
01:52PM 13 turned into that. They were groomed into that lifestyle.
01:52PM 14 Coerced and controlled. It became as if they had invisible
01:52PM 15 chains on them that they couldn't break.

01:52PM 16 They worked and stayed there because they felt they
01:52PM 17 had to. Because this defendant and others made it that way
01:53PM 18 for them.

01:53PM 19 In contrast, this defendant was everything the
01:53PM 20 dancers were not. They were vulnerable, he was powerful.
01:53PM 21 Many of them were younger, he was older and more experienced.
01:53PM 22 They lacked means, he became wealthy and flashy.

01:53PM 23 He hosted extravagant parties at his huge home in
01:53PM 24 Clarence. At times he would lay out mounds of cocaine on a
01:53PM 25 platter like people might put out wings at a party.

01:53PM 1 He was connected to powerful influential people, and
01:53PM 2 he made sure people knew it. He bragged about knowing judges.
01:53PM 3 He bragged about knowing police officers in all the local
01:53PM 4 departments, about the politicians he knew, and lawyers,
01:53PM 5 athletes, businessmen.

01:53PM 6 He even bragged about his family. Reputedly, their
01:53PM 7 reputed connection to Italian Organized Crime here in Buffalo,
01:54PM 8 New York. You see, he's the grandson of the now-deceased
01:54PM 9 longtime reputed leader of Italian Organized Crime in Buffalo,
01:54PM 10 Joseph Todaro Sr.

01:54PM 11 He didn't just have to brag about it, though, some of
01:54PM 12 these prominent people came into Pharaoh's. You see, knowing
01:54PM 13 these people gave the defendant an air of legitimacy, clout
01:54PM 14 and more command over the dancers, who paled -- paled in
01:54PM 15 comparison.

01:54PM 16 And, of course, he owned the club. This meant he
01:54PM 17 owned the financial fate of every single employee, but
01:54PM 18 especially the vulnerable dancers that were the lifeblood of
01:54PM 19 his business. And he exploited this power and balance between
01:54PM 20 boss and desperate employee. He controlled their jobs, not
01:54PM 21 only at Pharaoh's, but told some he could blackball them
01:54PM 22 across the industry.

01:54PM 23 He controlled their financial fate, and their
01:55PM 24 physical and psychological fate exploiting their addictions
01:55PM 25 and their serious fear of withdrawal. And you'll hear how

01:55PM 1 sick some of them would become.

01:55PM 2 He had the power, he had the money, he had the
01:55PM 3 control. He knew it, and the dancers knew it.

01:55PM 4 Now, I've mentioned the word "grooming" a few times.

01:55PM 5 The evidence in this trial will show you how traffickers like
01:55PM 6 this defendant groom their victims. His business model relied
01:55PM 7 upon it. Once he had them under his roof, as I've mentioned,
01:55PM 8 he became an expert in identifying and exploiting their
01:55PM 9 individual vulnerability. Manipulating their reality and
01:55PM 10 leveraging their fears. He did all these things, and he did
01:55PM 11 them very well.

01:55PM 12 He started by gaining their trust.

01:55PM 13 You're gonna hear at times that the defendant was
01:55PM 14 charming and charismatic. He would feign or pretend to have
01:56PM 15 interest in his victims and befriend them. Sometimes he would
01:56PM 16 invite them to fancy parties at his house or even take them to
01:56PM 17 dinner.

01:56PM 18 In the process of gaining their trust, he was able to
01:56PM 19 learn more about his victims and exactly how to exploit them.

01:56PM 20 His victims all came to Pharaoh's with some type of
01:56PM 21 personal baggage. He studied them. He used that in the
01:56PM 22 grooming process against them. He learned what they lacked so
01:56PM 23 he can meet those needs, which could be tangible like drugs,
01:56PM 24 money for drugs. Or intangible, like a false sense of
01:56PM 25 affection, sense of belonging, a job.

01:56PM 1 So he zeroed on their weaknesses, what they needed,
01:56PM 2 and gave it to them. But especially fueling those drugs
01:56PM 3 addictions against them.

01:56PM 4 Sometimes he isolated victims from the outside world,
01:57PM 5 the world outside of him.

01:57PM 6 You'll hear he told his victims that he was
01:57PM 7 untouchable, that he was invincible, that he could make people
01:57PM 8 disappear if he wanted to. His message was very clear. He
01:57PM 9 was telling these women that he was above the law. And that's
01:57PM 10 how he acted. That's what they believed. Maybe for a while,
01:57PM 11 he was.

01:57PM 12 Further enhancing his reputation, control, and power,
01:57PM 13 was that family reputation that backed him up. That fear,
01:57PM 14 that just that reputation held. And he held himself out as
01:57PM 15 connected, and people thought he was.

01:57PM 16 On top of that, he hired members of the Outlaws
01:57PM 17 Motorcycle Club to work at Pharaoh's, adding more to the aura
01:57PM 18 of his power, control, more-threatening presence in the club,
01:58PM 19 the coercive atmosphere he relied upon as part of his business
01:58PM 20 model.

01:58PM 21 All of these things came together and overlaid on top
01:58PM 22 of the vulnerabilities and the fear of severe withdrawal and
01:58PM 23 the drug addictions these women had. It all exacerbated and
01:58PM 24 contributed to his ability to influence and control these
01:58PM 25 dancers who were victimized at his club.

01:58PM 1 Now, the system was coercive. The system he set up
01:58PM 2 inside Pharaoh's ensured his ability to maximize control and
01:58PM 3 to coerce dancers. You see, everyone reported to the
01:58PM 4 defendant. And he was ultimately in charge of everyone and
01:58PM 5 everything.

01:58PM 6 See, he controlled the DJ. The DJ controlled what
01:58PM 7 dancer would get a set, or be permitted to go on stage and
01:59PM 8 dance to earn money. Another way to control their finances.

01:59PM 9 He hired and controlled security and VIP attendants.
01:59PM 10 Now, those were the people responsible for the dancer's
01:59PM 11 physical security. But the defendant and his handpicked staff
01:59PM 12 and the dancers, they knew how it worked. Big spenders would
01:59PM 13 go into the downstairs VIP, they would tip extra, and buy a
01:59PM 14 lot of dances, earning the club and ultimately the defendant
01:59PM 15 more money. And those big tippers, those big spenders, people
01:59PM 16 he called whales because of how much money they spent in the
01:59PM 17 club, they were permitted to get away with more. They were
01:59PM 18 permitted to do things to the dancers, sex acts, commercial
01:59PM 19 sex acts. They were allowed to kiss, touch, fondle dancers'
01:59PM 20 private areas, and in some instances engage in oral and
02:00PM 21 vaginal sex right there in the VIP room with nobody stopping
02:00PM 22 them.

02:00PM 23 The structure was coercive. There was an upstairs, a
02:00PM 24 private place, sometimes set up like an apartment. That's the
02:00PM 25 upstairs party area that the defendant controlled. And he

02:00PM 1 would bring dancers up there, provide them drugs, and have sex
02:00PM 2 with them. He kept it under lock and key. So once the
02:00PM 3 dancers were up there, they were physically isolated, alone,
02:00PM 4 vulnerable, and he knew it.

02:00PM 5 Up there, at times, he made sure his personal friends
02:00PM 6 and prominent VIPs that he wanted to impress also got special
02:00PM 7 treatment. They were permitted to go up there with his
02:00PM 8 express permission to engage in those commercial sex acts with
02:00PM 9 dancers. And the defendant basically served those dancers up,
02:00PM 10 like the man who he directed Gabby to have sex with, to those
02:01PM 11 men.

02:01PM 12 Whether it be serving that clientele, his VIP
02:01PM 13 clientele, the drugs and partying, or sex with vulnerable
02:01PM 14 dancers who felt and were coerced, he provided it all in his
02:01PM 15 upstairs area.

02:01PM 16 But as I mentioned a moment ago, he also had a
02:01PM 17 downstairs VIP area which had its own, quote, unquote,
02:01PM 18 Champagne Room, private areas, where less-personal friends of
02:01PM 19 the defendant, sometimes personal friends of his, but less
02:01PM 20 personal friends, but nevertheless those big spenders, those
02:01PM 21 big tippers, those whales who would buy a lot of dances --
02:01PM 22 when you hear that think more money for the defendant -- well,
02:01PM 23 they could have their way with the dancers depending on their
02:01PM 24 reputation, the amount of dances they bought, the amount of
02:01PM 25 money they tipped.

02:01PM 1 In those rooms, those dancers, many of them drug
02:02PM 2 addicted, knew the only way to get their next fix was to do
02:02PM 3 those "extras."

02:02PM 4 And the men who were supposed to be protecting them,
02:02PM 5 the men handpicked and by and loyal to the defendant, like his
02:02PM 6 frequent VIP attendant Brian Rosenthal, well, they knew or
02:02PM 7 recklessly disregarded the stark reality that these vulnerable
02:02PM 8 women were being coerced into engaging in commercial sex acts.

02:02PM 9 They ignored it. They knew it, and they ignored it.
02:02PM 10 Because the dancers were moneymakers for everyone in the
02:02PM 11 building, especially the defendant.

02:02PM 12 All of this created an atmosphere in a course of
02:02PM 13 behavior of coercion. And the defendant set it up that way,
02:02PM 14 and he did it on purpose. It was the business model because
02:02PM 15 it benefited him. All to benefit him, his friends, and his
02:03PM 16 business interests.

02:03PM 17 I'll go through some examples of isolation and
02:03PM 18 grooming that you'll hear at this trial.

02:03PM 19 You'll hear a roommate of one of the dancers say the
02:03PM 20 victim was never home. She basically lived at Pharaoh's which
02:03PM 21 coincided with her spiralling addiction.

02:03PM 22 You'll hear from the mother of a victim who will tell
02:03PM 23 you that she called Pharaoh's looking for her daughter because
02:03PM 24 she hadn't seen her in days.

02:03PM 25 You'll hear another dancer, Lindsay, who will explain

02:03PM 1 to you that shortly after she started at Pharaoh's at 18 to
02:03PM 2 support herself, the defendant shared cocaine with her. First
02:03PM 3 time she used it. After that, he took the opportunity to
02:03PM 4 start to test her. He asked if she was open to meeting with
02:03PM 5 men for sex. She quickly developed strong addictions to both
02:03PM 6 cocaine and opiates, addictions the defendant helped to
02:04PM 7 worsen. And you'll learn how he repeatedly gave her drugs or
02:04PM 8 made the drugs available at his club to control and coerce her
02:04PM 9 through her ever-worsening addiction, to exploit her
02:04PM 10 insecurity and desire to what the boss wanted. So she engaged
02:04PM 11 in coerced commercial sex acts. She gave him oral and vaginal
02:04PM 12 sex repeatedly in his upstairs lair that he controlled. And
02:04PM 13 she also did it with other men that this defendant allowed to
02:04PM 14 go up there with Lindsay.

02:04PM 15 The drugs the defendant provided and made available
02:04PM 16 in Pharaoh's had profound physical and psychological impacts
02:04PM 17 on these already-vulnerable women, and he exploited those
02:05PM 18 weaknesses. He helped create or worsen them in many
02:05PM 19 instances, making Pharaoh's their main place to get drugs.

02:05PM 20 You'll learn that the victims, like most people in
02:05PM 21 the depths of those types of serious addictions, would do
02:05PM 22 anything for the drugs.

02:05PM 23 The defendant and others used that desperation to get
02:05PM 24 what they wanted, which was sex. Sex from these women.

02:05PM 25 You're gonna hear the defendant -- you're gonna hear

02:05PM 1 that the victims, excuse me, never paid this defendant for
02:05PM 2 drugs. This was intentional because, make no mistake, the
02:05PM 3 evidence will show they paid for that debt with their bodies.

02:05PM 4 You'll learn that powerful drugs like cocaine,
02:05PM 5 heroin, and opioids, they change how a person thinks and
02:05PM 6 behaves. As that addiction progresses, it's not about seeking
02:05PM 7 a high anymore. They'll explain to you that they needed the
02:05PM 8 drugs to feel normal, to avoid pain, and fear, and sickness
02:06PM 9 associated with the withdrawal. You'll learn the more drugs
02:06PM 10 they use, the more they need just to function to stave off
02:06PM 11 that severe illness. And for these women, they weren't
02:06PM 12 seeking the drugs at that point for the high, or for fun, they
02:06PM 13 needed them to survive.

02:06PM 14 Securing that next hit in their minds, in that
02:06PM 15 physical state they were in, meant avoiding severe sickness
02:06PM 16 and withdrawal.

02:06PM 17 Coming off a high, whether it's cocaine, heroin, or
02:06PM 18 opiates, you'll hear from them that it causes extreme mental
02:06PM 19 and physical distress. So much so that addicts like Gabby who
02:06PM 20 I spoke about in the beginning of the opening, believe they
02:06PM 21 had no choice other than to endure other types of trauma, like
02:06PM 22 having sex with a stranger to avoid it.

02:06PM 23 That, combined with his image, his aura, his position
02:06PM 24 as their boss, his reputation, the men he hired as security in
02:07PM 25 there, and the person with total control of their financial

02:07PM 1 fate, gave the defendant virtually total control of the
02:07PM 2 victims. And they'll tell you this in their own words, in
02:07PM 3 their own experiences.

02:07PM 4 You'll hear one victim explain coming off cocaine,
02:07PM 5 she would become suicidal. She cut herself. She had to make
02:07PM 6 sure she wasn't alone when she was coming down because she
02:07PM 7 feared what she would do to herself. You'll hear that mental
02:07PM 8 anguish of coming down from cocaine tortured her, and she did
02:07PM 9 anything to avoid it.

02:07PM 10 Others will tell you that physical symptoms of
02:07PM 11 withdrawal make the worst flu or hangover seem easy. Their
02:07PM 12 bodies ached, they vomited, they shook uncontrollably. That,
02:07PM 13 that addiction, those feelings of intense withdrawal, the
02:07PM 14 defendant had them at his mercy and he exploited it, because
02:07PM 15 that was his business model.

02:08PM 16 The defendant's sex trafficking included coercing or
02:08PM 17 recklessly disregarded the fact that victims were coerced to:

02:08PM 18 1. Engage in sex acts with him;

02:08PM 19 2. Engage in sex acts with his friends and people
02:08PM 20 who were important enough for him to allow them upstairs to
02:08PM 21 use that upstairs lair of his to use drugs and engage in sex
02:08PM 22 acts with the dancers;

02:08PM 23 3. To engage in commercial sex acts with those
02:08PM 24 downstairs VIPs, the whales, the less-personal friends, but
02:08PM 25 nevertheless the big spenders; and

02:08PM 1 4. He also -- you'll hear about how he funneled some
02:08PM 2 of the young women to engage in sex acts outside Pharaoh's in
02:08PM 3 some instances. He worked with stag companies run by close
02:08PM 4 friends, associates -- to use the legal term,
02:08PM 5 "coconspirators" -- Jessica Leyland and Darryl LaMont, where
02:08PM 6 they had stag parties where similar types of coercive acts
02:09PM 7 occurred and Pharaoh's dancers worked there.

02:09PM 8 So let's get into a little more detail about the sex
02:09PM 9 acts with the defendant, the coerced commercial sex acts that
02:09PM 10 he did in the upstairs.

02:09PM 11 While the methods of coercion started subtle, but
02:09PM 12 they were effective. As I said before, he hand picked his
02:09PM 13 victims, and he targeted the most vulnerable, those most
02:09PM 14 susceptible to control, using the process of grooming that
02:09PM 15 I've already talked about.

02:09PM 16 He'd invite them upstairs. Initially, they feel
02:09PM 17 special. The boss inviting them upstairs to his area that he
02:09PM 18 controlled, to party, quote unquote, with him. But it was no
02:09PM 19 party, it was a ruse for him to engage in commercial sex.
02:09PM 20 Just like Gabby and others. He decided who to let upstairs.
02:09PM 21 He decided what happened up stairs, he decided how things
02:10PM 22 happened upstairs.

02:10PM 23 And even in those rare occasions if the defendant
02:10PM 24 wasn't there himself, the men going up there with the women
02:10PM 25 had his permission because the defendant was the ultimate

02:10PM 1 arbiter of access.

02:10PM 2 Once a dancer arrived upstairs, he would give her
02:10PM 3 drugs, usually cocaine, sometimes they were there because they
02:10PM 4 wanted Lortabs, the amount varied. He did this with several
02:10PM 5 dancers over and over. He'd usually also give them alcohol,
02:10PM 6 like champagne or liquor, lowering their inhibitions. And
02:10PM 7 then it would follow similar or the same pattern, he would
02:10PM 8 give them drugs and alcohol, he might put on porn, and then he
02:10PM 9 would get naked. And then he got what he wanted from the
02:10PM 10 victims. Sometimes, again, they were paid in money or he
02:10PM 11 supplied them with drugs before or after the sex act.

02:10PM 12 Now, this type of coercion and control, you're not
02:11PM 13 gonna hear that the women said no to the defendant, or that
02:11PM 14 they put up a physical fight, or that they left. This was
02:11PM 15 coercive in the ways I've already described: They're alone,
02:11PM 16 he's the boss who controlled whether they got the drugs, who
02:11PM 17 controlled their fate at the place where they made the money,
02:11PM 18 or even beyond the walls of Pharaoh's if he could blackball
02:11PM 19 them across the industry. So you're gonna hear they performed
02:11PM 20 those sex acts on him.

02:11PM 21 That doesn't mean -- the evidence will show that
02:11PM 22 doesn't mean that he didn't coerce them into doing the sex
02:11PM 23 act, it only means that the coercion worked, and it worked
02:11PM 24 very well.

02:11PM 25 At times, you might also hear that the defendant

02:11PM 1 engaged in, quote unquote, "relationships" with some of his
02:11PM 2 victims.

02:11PM 3 Through the proof, you'll learn that feigning a
02:11PM 4 relationship with a victim is simply another control mechanism
02:12PM 5 for traffickers of sex like this defendant. A way for a
02:12PM 6 person like this defendant to make the victim think he loves
02:12PM 7 and cares for her.

02:12PM 8 The defendant did this with each of Katie and
02:12PM 9 Phlycia, who you'll hear from. He gave them drugs. He did so
02:12PM 10 so they would have sex with him, and then he gave them more
02:12PM 11 and more over time.

02:12PM 12 But on those occasions, if they didn't do what he
02:12PM 13 wanted, or if they didn't have sex with him when he wanted, he
02:12PM 14 got mad. He withheld the drugs they were addicted to. The
02:12PM 15 drugs he knew that they needed. It was all about control. So
02:12PM 16 he would place them in fear of that severe withdrawal from
02:12PM 17 those strong opiates. And then they would have sex with him.
02:12PM 18 That's coercion.

02:12PM 19 The facts will show that in reality, this defendant
02:13PM 20 loved one thing, control. These weren't real relationships,
02:13PM 21 even if for a moment in time or a portion of the time the
02:13PM 22 women thought they were. They were sex in a coerced
02:13PM 23 environment, in a coercive relationship, in situations the
02:13PM 24 defendant controlled.

02:13PM 25 He groomed and coerced these women flawlessly, so

02:13PM 1 well that you'll learn that his own brother, Anthony, didn't
02:13PM 2 want his girlfriend partying with Peter, quote unquote,
02:13PM 3 "partying" with Peter.

02:13PM 4 You'll hear from a young woman named Jessica.
02:13PM 5 Jessica worked at Pharaoh's for a short time as a dancer. And
02:13PM 6 then when she started dating the defendant's brother, Anthony,
02:13PM 7 she became a bartender who worked in Pharaoh's. And she'll
02:13PM 8 describe a situation, one day this defendant was upstairs
02:13PM 9 with -- with other dancers, and they were all doing cocaine.
02:13PM 10 And Jessica was made to bring some drinks up to them. She was
02:13PM 11 offered cocaine upstairs. Jessica took a hit of the cocaine.

02:13PM 12 But then Anthony called her, the defendant's brother.
02:14PM 13 And when Anthony heard where Jessica was, what she was doing,
02:14PM 14 and most importantly who she was with, he was furious and told
02:14PM 15 her to leave immediately.

02:14PM 16 The defendant's own brother was furious that his
02:14PM 17 girlfriend was upstairs, in that upstairs lair with this
02:14PM 18 defendant. Because he knew. Anthony knew what happened
02:14PM 19 upstairs with Peter and cocaine and Pharaoh's dancers. And
02:14PM 20 they all knew it.

02:14PM 21 The defendant also coerced dancers into engaging in
02:14PM 22 those sex acts with his prominent friends. I told you about
02:14PM 23 some of these people, prominent and influential people in the
02:14PM 24 community.

02:14PM 25 You may hear some of the names during this trial.

02:14PM 1 They included a former New York State Supreme Court judge,
02:14PM 2 lawyers, political figures, businessmen, athletes, former
02:14PM 3 Buffalo Sabres. You'll hear the defendant -- an actor, an
02:15PM 4 actor from movies who would come from out of town. You're
02:15PM 5 gonna hear the defendant would bring some of these friends
02:15PM 6 upstairs to party and use drugs, and then serve up dancers to
02:15PM 7 engage in sex.

02:15PM 8 You'll hear the defendant instruct the dancers how to
02:15PM 9 behave around these people. That he brought his, quote
02:15PM 10 unquote, "favorite" dancers upstairs when he was with these
02:15PM 11 type of friends.

02:15PM 12 In terms of arranging Pharaoh's dancers for other --
02:15PM 13 for sex or relationships outside of Pharaoh's, arranged sex
02:15PM 14 acts, you'll hear that one occasion, Phlycia will explain it
02:15PM 15 to you, where a person named Russell Salvatore was on the
02:15PM 16 phone with Peter and he wanted a dancer for the weekend. For
02:15PM 17 800 bucks, this defendant arranged it. 500 for the defendant,
02:15PM 18 300 for the dancer.

02:15PM 19 The defendant also coerced dancers into engaging in
02:16PM 20 sex acts with those downstairs VIP customers, as I said the
02:16PM 21 downstairs VIP, the Champagne Room.

02:16PM 22 To understand how the defendant facilitated sex acts,
02:16PM 23 because he's not there, right? He's in the VIP Room with the
02:16PM 24 dancer and the man who's going to be paying the money, so how
02:16PM 25 does the evidence show he facilitated this sex trafficking?

02:16PM 1 To do that, we're going to explain the ways Pharaoh's dancers
02:16PM 2 made money, and how that money ended up in his pocket.

02:16PM 3 So they did so, Pharaoh's dancers made money in two
02:16PM 4 principal ways. They danced on the main stage and did private
02:16PM 5 dances in the VIP Room downstairs, which was a separate room
02:16PM 6 from the main area of the club. The VIP Room was basically a
02:16PM 7 small room that had a bunch of couches, nothing glamorous.

02:16PM 8 Sometimes the couches were, like, touching each other, other
02:16PM 9 times the couches were, like, tucked into dark corners for a
02:16PM 10 bit more privacy. Again, though, isolating the dancers in
02:16PM 11 those corner couches.

02:17PM 12 There was also a Champagne Room area where even more
02:17PM 13 private VIP portion. And the only security that the dancers
02:17PM 14 had were his loyal handpicked staffers working security.

02:17PM 15 Now, the customers had to pay extra. This wasn't
02:17PM 16 free. A patron couldn't just walk into the VIP Room. He
02:17PM 17 couldn't just walk into the Champagne Room. He had to check
02:17PM 18 in with the VIP attendant, that security staffer, oftentimes
02:17PM 19 Brian Rosenthal.

02:17PM 20 As I mentioned before, these attendants, they had two
02:17PM 21 main jobs:

02:17PM 22 First was to watch the dances on camera, and the
02:17PM 23 stated purpose of that was to make sure that no sex acts were
02:17PM 24 happening so they could keep the dancer safe.

02:17PM 25 The second job of this VIP attendant, the security

02:17PM 1 staffer, was to give out chips, like poker chips, to dancers.
02:17PM 2 See, the dancers didn't get paid on the spot, they got paid
02:17PM 3 later. They would turn in those chips, and they would get
02:17PM 4 money from the amount of dances that they did.

02:17PM 5 But you'll learn from the dancers that the VIP Room
02:18PM 6 was often simply a private area for extras to occur. "Extras"
02:18PM 7 is code or slang or jargon for sex acts. The big spenders and
02:18PM 8 big tippers would take advantage of the desperate dancers
02:18PM 9 addicted to drugs who were worried about making enough money
02:18PM 10 to avoid sickness of withdrawal. And under the supposedly
02:18PM 11 watchful eye of Pharaoh's staff, the defendant and those
02:18PM 12 staffers knew or disregarded the reality that the dancers and
02:18PM 13 women were being coerced to engage in those sex acts, because
02:18PM 14 the more dances that the dancers engaged in, the more money
02:18PM 15 those men had to pay.

02:18PM 16 And then on top of that, they would tip the VIP
02:18PM 17 attendant. The man, often the man, would tip the VIP
02:18PM 18 attendant. They would make more dances, more money, based off
02:18PM 19 of the chips, and that money flowed back to the defendant.
02:18PM 20 Pharaoh's took a cut of each dance.

02:18PM 21 So, yeah, Pharaoh's had stated rules. Stated rules
02:19PM 22 that there were no drugs. Stated rules that no sex acts could
02:19PM 23 occur. But in reality, those rules were as worthless as the
02:19PM 24 paper they were written on.

02:19PM 25 And for the same reason the systems that were

02:19PM 1 supposedly in place to enforce those rules were meaningless,
02:19PM 2 because breaking the rules and defiling the system actually
02:19PM 3 made the defendant more money. They were actually, in
02:19PM 4 reality, part of the business model.

02:19PM 5 So, to state it more clearly, the club took a cut
02:19PM 6 from every single dancer's dance in the VIP Room.

02:19PM 7 In addition, the club made dancers share those tips
02:19PM 8 with other employees, such as those VIP attendants.

02:19PM 9 So based on the system, the more money the dancer
02:19PM 10 made, the more money the club made. The more money the club
02:19PM 11 made, the more money the defendant made.

02:20PM 12 The evidence will show that as Pharaoh's continued to
02:20PM 13 exist, as I explained, as he continued to control it, he
02:20PM 14 became much, much, much more wealthy over time.

02:20PM 15 Now, this VIP Room, it was meant for private lap
02:20PM 16 dances. It was meant for, actually, erotic dances. They get
02:20PM 17 called lap dances, but it's supposed to be a dance, a dancer
02:20PM 18 in proximity to a client. But the dances in the VIP at
02:20PM 19 Pharaoh's weren't just private dances, they weren't even just
02:20PM 20 lap dances, they were simulated sex, commercial sex acts.

02:20PM 21 You'll learn that dancers grinded sometimes with a
02:20PM 22 man's hand guiding them and holding them in place against
02:20PM 23 erect penises, so much so that the men ejaculated in their
02:21PM 24 pants or even on the dancers.

02:21PM 25 It didn't just stop at simulation. I mentioned

02:21PM 1 before, customers received sex acts right in the VIP Room.

02:21PM 2 They fingered women. They touched their vaginas. They

02:21PM 3 fondled their breasts. They sucked their nipples.

02:21PM 4 The VIP attendant, the one supposed to watch to make
02:21PM 5 sure none of that was happening, turned a blind eye and the
02:21PM 6 defendant knew it.

02:21PM 7 The defendant knew about the addictions. The
02:21PM 8 defendant knew about the vulnerabilities of the victims, the
02:21PM 9 dancers, the dancers he controlled. And so did the other
02:21PM 10 employees: The DJs, the attendants, other dancers. They knew
02:21PM 11 or they recklessly disregarded that those dancers engaging in
02:22PM 12 those extras in the commercial -- in the VIP Room were
02:22PM 13 engaging in commercial sex acts. Those women were suffering
02:22PM 14 under heavy addictions. But the defendant and everyone
02:22PM 15 disregarded it because they were earning a lot of money off
02:22PM 16 the bodies of those women, and that's what was more important
02:22PM 17 to them, to the defendant and his associates.

02:22PM 18 And it was obvious that the dancers doing that were
02:22PM 19 heavily addicted. Because of their addictions, often they
02:22PM 20 were rail thin, they appeared strung out. Some of them
02:22PM 21 developed track marks on their arms from intravenous drug use
02:22PM 22 that got worse over time. Dancers will explain how they would
02:22PM 23 nod out or fall asleep in the dressing room or in other areas,
02:22PM 24 nodding out from the effects of opioids or heroin. Sometimes
02:22PM 25 they would have drug residue apparent in their nose, cocaine

02:23PM 1 visible under the black lights of the club.

02:23PM 2 It wasn't a secret. Drug use among the dancers, the
02:23PM 3 staff, was rampant. But because breaking the rules and taking
02:23PM 4 advantage of dancers made them more money, everyone
02:23PM 5 disregarded it. The defendant knew it, he relied on it, it
02:23PM 6 was his businesses model.

02:23PM 7 If that's not enough, you'll hear specifically from
02:23PM 8 that dancer Lindsay, who I mentioned earlier, you'll hear a
02:23PM 9 situation where the defendant directed her towards a
02:23PM 10 particular whale, a particularly high spender, frequent
02:23PM 11 customer of Pharaoh's, an attorney named Wayne, Wayne
02:23PM 12 Van Vleet.

02:23PM 13 The defendant pointed out Wayne and told Lindsay to
02:23PM 14 take Wayne into the VIP. He told Lindsay, when he pointed
02:24PM 15 Wayne out to her, he'll probably stick his fingers in your
02:24PM 16 vagina, but he'll pay a lot of money to do it. And Brian,
02:24PM 17 Brian, the VIP attendant, he'll look the other way. And that
02:24PM 18 was how it worked.

02:24PM 19 It wasn't just Lindsay, in one conversation, just one
02:24PM 20 example, of how they all knew that it worked. That was how
02:24PM 21 the defendant set things up, because it served his financial
02:24PM 22 interests.

02:24PM 23 And Wayne was there a lot and he spent a lot, and he
02:24PM 24 got away with a lot.

02:24PM 25 But Wayne was far from the only customer who received

02:24PM 1 sex acts in the downstairs VIP or in the upstairs that Peter
02:24PM 2 personally controlled. You'll hear all about that.

02:24PM 3 Finally, talk about sex acts outside of Pharaoh's.

02:25PM 4 The defendant also facilitated sex acts outside of Pharaoh's
02:25PM 5 either through hooking one of them up or pointing them in the
02:25PM 6 direction of a man who wanted one of them for a weekend, like
02:25PM 7 I just mentioned, or -- called it arranging a date, or by
02:25PM 8 working with two of his close associates who were frequently
02:25PM 9 at Pharaoh's, Jessica Leyland, who you'll learn was a former
02:25PM 10 Pharaoh's dancer, a preferred drug dealer who sold cocaine
02:25PM 11 inside Pharaoh's, a person extremely loyal to the defendant
02:25PM 12 who ran a stag company called Extraordinary Entertainment, and
02:25PM 13 women, dancers from Pharaoh's, would get funneled to Jessica.

02:25PM 14 Similarly, Darryl LaMont, another regular at
02:25PM 15 Pharaoh's, close associate of the defendant, friend and
02:25PM 16 business associate, we'll call these both coconspirators, ran
02:25PM 17 another stag company called No Limit Entertainment.

02:25PM 18 Those stag companies became an extension of Pharaoh's
02:26PM 19 beyond its walls with the dancers that they employed, and the
02:26PM 20 types of things that those dancers endured and did outside of
02:26PM 21 Pharaoh's walls.

02:26PM 22 So I started this opening by introducing you to Gabby
02:26PM 23 and telling you about the moment that changed Gabby's life.
02:26PM 24 After Gabby had sex with the defendant's friend in exchange
02:26PM 25 for cocaine and money, she started to engage in commercial sex

02:26PM 1 acts with that same man outside of Pharaoh's, with the same
02:26PM 2 man the defendant told her to take care of in the upstairs at
02:26PM 3 Pharaoh's.

02:26PM 4 She'll tell you that the defendant normalized
02:26PM 5 commercial sex for her. That doing it once made it easier to
02:26PM 6 do again and again when combined with that fear of withdrawal
02:26PM 7 and that numbing addiction to cocaine.

02:26PM 8 She didn't do it because she wanted to. She was
02:27PM 9 stuck in a cycle of dependency and desperation that the
02:27PM 10 defendant fueled.

02:27PM 11 To survive physically -- excuse me.

02:27PM 12 To survive physically and mentally, she needed the
02:27PM 13 drugs desperately. She needed the money to escape her new
02:27PM 14 horrific reality. The defendant showed her how it do that
02:27PM 15 that night.

02:27PM 16 She was just one of several that the defendant put
02:27PM 17 into this cycle. Like Gabby, you're gonna hear from some of
02:27PM 18 the other women who say they engaged in commercial sex inside
02:27PM 19 Pharaoh's and sometimes outside. And maybe he didn't arrange
02:27PM 20 all of those encounters, that may be true, but those instances
02:27PM 21 do not and will not change what the defendant did to them or
02:27PM 22 what the men working with the defendant did to them at
02:27PM 23 Pharaoh's and sometimes beyond its walls. It doesn't change
02:28PM 24 the fact and the proof that you'll learn about that the
02:28PM 25 defendant targeted them and picked the most vulnerable to be

02:28PM 1 his victims. It doesn't change his grooming process or
02:28PM 2 pattern that I've described the evidence will show. It
02:28PM 3 doesn't change that he fed them drugs and controlled their
02:28PM 4 addictions to have them at his mercy through their fear of
02:28PM 5 that withdrawal. It doesn't change that he did it to coerce
02:28PM 6 them to engage in sex acts with him personally, giving him
02:28PM 7 oral and vaginal sex, or his friends, or his VIP customers.
02:28PM 8 It doesn't change that he normalized it for them and kept them
02:28PM 9 numb.

02:28PM 10 That some dancers may have engaged in prostitution
02:28PM 11 outside of Pharaoh's, coerced sex acts outside of Pharaoh's,
02:28PM 12 changes nothing. It just shows how effective the defendant
02:28PM 13 was at grooming them and coercing them once he had them under
02:28PM 14 his roof.

02:28PM 15 So let's move on to the drug trafficking at
02:28PM 16 Pharaoh's. It was intertwined with, interrelated connected to
02:29PM 17 the sex trafficking. The defendant needed to be able to
02:29PM 18 supply these women with drugs to coerce them into those
02:29PM 19 commercial sex acts, and the whole environment that he set up
02:29PM 20 with his team of preferred and trusted drug dealers. People
02:29PM 21 like Jessica Leyland. People like his friend, Marcus Black.
02:29PM 22 People like his brother, Anthony Gerace. And several others
02:29PM 23 who you'll hear from, they were his team of trusted drug
02:29PM 24 suppliers: cocaine, opiates, Adderall, marijuana, heroin. He
02:29PM 25 could get it for the dancer that needed it, point them in the

02:29PM 1 right direction, also supplied it to customers.

02:29PM 2 Now the defendant wasn't stupid. It was mentioned
02:29PM 3 earlier, there was a rule at the club that said no drugs were
02:29PM 4 allowed. At times, even some of the managers enforced a rule
02:29PM 5 on a random dancer here and there. But if the dancer -- if
02:29PM 6 the dancer was someone under the defendant's control, or
02:29PM 7 someone he favored because they would do things he wanted, or
02:30PM 8 someone he knew would engage in commercial sex acts with him
02:30PM 9 or his friends, they were right back in the club working.

02:30PM 10 The notion that drugs were not allowed was a sham, a
02:30PM 11 PR scheme to try to not get in trouble if the Liquor Authority
02:30PM 12 walked in the club, they would see his sign. The reality was
02:30PM 13 the opposite. And you'll repeatedly hear that in this trial.

02:30PM 14 You'll learn that everyone from his preferred
02:30PM 15 customers, to dancers, to bartenders, to DJs, that the
02:30PM 16 defendant took part in the drugs -- use, possession,
02:30PM 17 distribution -- flowing through Pharaoh's.

02:30PM 18 The defendant possessed, used, bought, distributed
02:30PM 19 drugs routinely at Pharaoh's.

02:30PM 20 Again, more drugs led to more dances purchased, more
02:30PM 21 drinks sold, more sex, and it all benefited him in one way or
02:30PM 22 the other.

02:30PM 23 The defendant had those close confidantes selling the
02:31PM 24 drugs for him and with him, or supplying him, like Jessica
02:31PM 25 Leyland, Marcus Black, his brother Anthony who I've mentioned

02:31PM 1 already. Again, his coconspirators, his suppliers in the
02:31PM 2 club.

02:31PM 3 The drug dealers you'll learn, they were treated like
02:31PM 4 VIPs because he needed them. He needed the steady supply for
02:31PM 5 both his business and his criminal scheme. Witness after
02:31PM 6 witness in the case will tell you drugs were everywhere.

02:31PM 7 As an example, you'll hear from a customer who spent
02:31PM 8 a lot of time at Pharaoh's, a businessman who owned a company.
02:31PM 9 His name is Jeff Anzalone. He'll tell you he went to
02:31PM 10 Pharaoh's 100 times or so, used cocaine every time. It was
02:31PM 11 supplied to him in Pharaoh's, he used it in Pharaoh's.
02:31PM 12 Sometimes he'd bring his own, sometimes he'd get it from
02:31PM 13 dancers, sometimes he'd get it from the cook, sometimes a
02:31PM 14 security guard, or from the defendant himself. He's used
02:32PM 15 cocaine in almost every room in Pharaoh's, with the defendant
02:32PM 16 upstairs, with his brother Anthony in the garage, in the
02:32PM 17 kitchen, everywhere. And he didn't even work there.

02:32PM 18 The victims will tell you that drug use was rampant
02:32PM 19 and obvious. Some of the dancers dealt and distributed to the
02:32PM 20 other dancers, or they would share amongst each other. They
02:32PM 21 would use in the dancer's locker room, they have a locker room
02:32PM 22 where they change to get dressed before they come on stage,
02:32PM 23 where cocaine residue covered vanity surfaces.

02:32PM 24 Dancers and customers alike, they used the bathroom,
02:32PM 25 sometimes fitting two or more people in a stall. Of course,

02:32PM 1 as I mentioned, the defendant held court in his upstairs
02:32PM 2 private kingdom where cocaine parties flowed freely.

02:32PM 3 Again, this was to help keep the women high, help
02:32PM 4 keep them in control, help coerce them. That's how he was
02:32PM 5 able to coerce them into commercial sex.

02:33PM 6 Now, earlier, I mentioned Lindsay who started dancing
02:33PM 7 at Pharaoh's when she was 18. Referenced that she had never
02:33PM 8 used drugs before working at Pharaoh's. Within two months,
02:33PM 9 she was addicted to cocaine or heroin, her addiction spiraled.
02:33PM 10 She was used by the defendant, coerced to perform sex acts on
02:33PM 11 him, for his friends in exchange for money and drugs.

02:33PM 12 At one point the defendant asked her if she would
02:33PM 13 meet men outside of Pharaoh's, and I told you already, Lindsay
02:33PM 14 would be directed towards whales like Wayne.

02:33PM 15 Katie will testify she never used cocaine or Lortabs
02:33PM 16 before meeting the defendant. He introduced her to both. She
02:33PM 17 was addicted soon after. So much so that -- she used so much
02:33PM 18 cocaine that she burned a hole in her septum. She'll testify
02:33PM 19 that drug dealing and use was obvious and regular, that she
02:33PM 20 routinely got drugs from the defendant and others at
02:34PM 21 Pharaoh's. But she never paid for the drugs. Instead, the
02:34PM 22 defendant used her dependence on the drugs to get her to have
02:34PM 23 sex with him.

02:34PM 24 She'll explain sometimes when he got mad he'd
02:34PM 25 withhold the drugs, I think I referenced this earlier, knowing

02:34PM 1 the torment her withdrawal would cause, and then get what he
02:34PM 2 wanted.

02:34PM 3 She'll testify that she witnessed prominent people
02:34PM 4 like a politician, former Buffalo Sabre, and more, engage in
02:34PM 5 commercial sex acts with dancers in that upstairs that Peter
02:34PM 6 controlled.

02:34PM 7 She'll also tell you she met the defendant's friend,
02:34PM 8 his corrupt DEA agent protector, Joseph Bongiovanni, at
02:34PM 9 Pharaoh's, and saw him there with the defendant several times.

02:34PM 10 She'll tell you the defendant talked to her about
02:34PM 11 arranging other dancers to have sex with his friends, dancers
02:34PM 12 also heavily addicted to drugs like Gabby.

02:34PM 13 You'll meet Phlycia, who I spoke about already. She,
02:34PM 14 like Lindsay, started dancing at Pharaoh's at 18. Shortly
02:34PM 15 after she started working there, the defendant, that time
02:35PM 16 living at the apartment at his grandparents' house, invited
02:35PM 17 her to his apartment. There, he gave Phlycia her first hit of
02:35PM 18 cocaine and a bottle of liquor, then he had sex with her.

02:35PM 19 Just like Katie, over time he fed Phlycia cocaine and
02:35PM 20 Lortabs for the next decade. Those drugs tethered to sex with
02:35PM 21 him as she fell more and more into serious addiction. She'll
02:35PM 22 also tell you drugs were everywhere at Pharaoh's, and nobody
02:35PM 23 got in trouble for it.

02:35PM 24 Phlycia will tell you the defendant told her things
02:35PM 25 like he owned her, that she was his property. He told her

02:35PM 1 that he had friends in high places, and if he wanted to he
02:35PM 2 could make someone disappear.

02:35PM 3 She'll explain to you that she did cocaine with the
02:35PM 4 defendant in the summer of 2018. Right before investigation
02:35PM 5 started to focus on that Special Agent Joseph Bongiovanni,
02:35PM 6 you're gonna learn she was at a cottage in 2018 with the
02:36PM 7 defendant, Joseph Bongiovanni, and others, and she did cocaine
02:36PM 8 with them both.

02:36PM 9 You'll meet Gabby, who I told you about in the
02:36PM 10 beginning. She'll explain to you how she was preyed upon
02:36PM 11 through her addiction, and how that night changed her.

02:36PM 12 These are just a few of the women who you'll meet in
02:36PM 13 this case, there are many others.

02:36PM 14 You'll hear from other witnesses who knew the
02:36PM 15 victims, like family members, roommates. They'll tell you
02:36PM 16 what they saw from the outside, which was a complete downward
02:36PM 17 spiral of the women working at Pharaoh's, a drug-infested
02:36PM 18 premises.

02:36PM 19 Each witness will tell you, each dancer will tell you
02:36PM 20 how they were vulnerable in their own ways, and how they were
02:36PM 21 preyed upon. Sometimes, they didn't even realize at the time.

02:36PM 22 Their vulnerability though, their addictions, their
02:36PM 23 frailty, were part of his criminal scheme, his business model.

02:37PM 24 I've told you about Jeff Anzalone. You'll also hear
02:37PM 25 from others like him. You'll hear from other attorney, Matt

02:37PM 1 Albert, who bought cocaine from the defendant both inside and
02:37PM 2 outside of Pharaoh's, and later engaged in sex acts with a
02:37PM 3 dancer he met at Pharaoh's.

02:37PM 4 You'll hear from Kelly, who got cocaine from Marcus
02:37PM 5 Black, one of those preferred drug dealers and friends of the
02:37PM 6 defendant's, at Pharaoh's. Someone who could supply cocaine
02:37PM 7 when Peter needed it, or when the defendant wanted other
02:37PM 8 people to have it.

02:37PM 9 You'll hear from Kevin Myszka, a businessman who,
02:37PM 10 after running out of cocaine at Pharaoh's, asked the defendant
02:37PM 11 for more, and he'll explain to you that within moments a
02:37PM 12 dancer brought Myszka cocaine.

02:37PM 13 Myszka will also explain to you that he's been on a
02:37PM 14 trip to Toronto with the defendant's brother, Anthony, and the
02:37PM 15 corrupt special agent, Joseph Bongiovanni, and that cocaine
02:37PM 16 use was open and obvious to anyone who was paying attention,
02:37PM 17 to give you an idea of Myszka's history of knowing or
02:38PM 18 experiencing a weekend with Bongiovanni, the defendant's
02:38PM 19 protector.

02:38PM 20 And you'll hear from Katrina Nigro. She's the
02:38PM 21 defendant's ex-wife. As the defendant's wife, though, she
02:38PM 22 worked at Pharaoh's, and she had a unique vantage point.

02:38PM 23 Ms. Nigro saw the worst parts of the defendant and
02:38PM 24 the inner workings of the club. She was also, for a time
02:38PM 25 while married to the defendant, dating him and then married,

02:38PM 1 part of the fabric of Pharaoh's. She was uniquely and
02:38PM 2 intimately placed. She'll tell you what she saw, what she
02:38PM 3 heard, what she experienced, what she knew happened in the
02:38PM 4 defendant's upstairs, when, at times, she was even directed to
02:38PM 5 allow certain of the defendant's friends, like that New York
02:38PM 6 State Supreme Court judge, to go upstairs with their favorite
02:38PM 7 dancers so that they could engage in sex acts with those
02:38PM 8 Pharaoh's dancers.

02:38PM 9 You'll learn that New York State Supreme Court judge,
02:39PM 10 this defendant's really good friend, liked a particular dancer
02:39PM 11 named Shelby. And you'll see text messages where the
02:39PM 12 defendant and Judge Michalski exchanged a text about Shelby.

02:39PM 13 Later, when Katrina and the defendant got divorced,
02:39PM 14 you'll see how they mocked Katrina because she got arrested
02:39PM 15 and her mug shots didn't look so good. But she'll explain far
02:39PM 16 more than that.

02:39PM 17 She knows that the club was drowning in drugs, and
02:39PM 18 that overdoses, multiple overdoses, occurred.

02:39PM 19 She knows about the defendant's cocaine distribution
02:39PM 20 and who was involved.

02:39PM 21 She knows it because she was in the thick of it with
02:39PM 22 him for a time. At the time, it was blurry for her. She was
02:39PM 23 following directions and instructions from someone this
02:39PM 24 defendant, she thought she loved, of someone who she thought
02:39PM 25 was powerful. She did so under the throes and the fog of her

02:39PM 1 own addiction to alcohol.

02:40PM 2 But there will come a time, excuse me -- she came
02:40PM 3 here -- she'll come here and tell you that there came a time
02:40PM 4 and that she sees what was happening more clearly now.

02:40PM 5 What she tells you will be supported by other
02:40PM 6 dancers, who experienced the things that she describes for
02:40PM 7 you. And there will be other evidence that supports what she
02:40PM 8 will explain, such as one of the prominent people who would go
02:40PM 9 upstairs with Shelby was Judge Michalski.

02:40PM 10 Once Katrina became estranged from the defendant,
02:40PM 11 you'll see those text messages between the judge? Former
02:40PM 12 Judge Michalski and the defendant mocking Katrina.

02:40PM 13 She'll also tell you and you'll see text messages
02:40PM 14 between the defendant and Joseph Bongiovanni, where Katrina
02:40PM 15 was at Bongiovanni's 50th birthday party. You'll know she was
02:40PM 16 uniquely placed to see what was happening. She'll talk about
02:41PM 17 an envelope of cash at that birthday party, a birthday card
02:41PM 18 that Gerace provided Bongiovanni. Well, that envelope, that
02:41PM 19 birthday card of cash, was a bribe masked as a birthday card.
02:41PM 20 So you'll see that evidence. You'll see the text messages
02:41PM 21 between Bongiovanni and Gerace.

02:41PM 22 No doubt, Ms. Nigro and the defendant had a
02:41PM 23 contentious, ugly divorce. There's no doubt about that. But
02:41PM 24 as you listen to her testimony and consider it along with all
02:41PM 25 of the other witnesses and evidence, you'll learn it's

02:41PM 1 corroborated and supported by other witnesses, evidence, facts
02:41PM 2 and circumstances, like drug overdoses.

02:41PM 3 You'll learn about drug overdoses that occurred at
02:41PM 4 Pharaoh's because drug use was so widespread, and the
02:41PM 5 addictions of these dancers were so serious, overdoses
02:41PM 6 happened and the defendant knew about them. He knew about at
02:41PM 7 least two overdoses personally.

02:41PM 8 Ms. Nigro will explain the overdoses that occurred in
02:42PM 9 Pharaoh's.

02:42PM 10 So will a former dancer named Evelyn Hammer who
02:42PM 11 worked there for only three or four months and saw two
02:42PM 12 overdoses during her short time there.

02:42PM 13 You'll hear from a bouncer who worked there for a
02:42PM 14 time, Doug. Doug Augustyniak. And Doug will explain to you a
02:42PM 15 situation he encountered one night. He'll explain to you that
02:42PM 16 Peter and Peter's friends had been upstairs with dancers, and
02:42PM 17 Peter left, leaving his friend upstairs. After a time, Doug
02:42PM 18 was alerted to a dancer in distress. This dancer was
02:42PM 19 overdosing, she was in rough shape, she needed help.

02:42PM 20 But Doug knew the rule. The rule that this defendant
02:42PM 21 put in place was not to call the police without checking with
02:42PM 22 him. So that's what Doug did.

02:42PM 23 He called the defendant, and the defendant said to
02:42PM 24 Doug, I'll get right back to you.

02:42PM 25 A short time later, the defendant did get back to

02:43PM 1 Doug, and the direction that the defendant gave Doug was this:
02:43PM 2 Get her out of there. Get her out of there. Bring her to a
02:43PM 3 motel or a hotel or something.

02:43PM 4 And you'll learn there's a bunch of hotels or motels
02:43PM 5 not far from Pharaoh's, because it's by the airport.
02:43PM 6 Essentially he was telling him to go dump her in a hotel lobby
02:43PM 7 or something.

02:43PM 8 Well, Doug will explain to you he never saw that
02:43PM 9 dancer again. He never did that. But you'll learn that the
02:43PM 10 directive the defendant gave Doug matched almost verbatim
02:43PM 11 advice he got, advice this defendant got from his corrupt DEA
02:43PM 12 friend, Joseph Bongiovanni.

02:43PM 13 See, you'll learn that there was an occasion where
02:43PM 14 the defendant called Bongiovanni on the phone, told him that a
02:43PM 15 dancer was overdosing, and Bongiovanni's advice was to get her
02:43PM 16 out of there. Opposite of what a sworn DEA agent should be
02:44PM 17 doing following their oath and duties.

02:44PM 18 The defendant didn't want negative attention
02:44PM 19 associated with overdoses on him, because he was trying to
02:44PM 20 protect that lucrative premises, and overdosing dancers and
02:44PM 21 having authorities know about it was bad for business.

02:44PM 22 This leads into that corruption. With all of what I
02:44PM 23 just described transpiring at Pharaoh's, and with the
02:44PM 24 defendant's lucrative lifestyle flowing from it at stake, he
02:44PM 25 needed that protection and was highly motivated to get it.

02:44PM 1 Highly motivated to protect what he built through Pharaoh's.
02:44PM 2 This is where Bongiovanni enters the picture.
02:44PM 3 You'll learn that Agent Bongiovanni, who is from
02:44PM 4 Buffalo originally, for a time his career took him to Florida.
02:44PM 5 By the early 2000s as a DEA agent, he was back in Buffalo. At
02:45PM 6 that time, Bongiovanni himself was going through a divorce and
02:45PM 7 he was in need of money. He was also back in town with
02:45PM 8 childhood friends like the defendant, that he used to go out
02:45PM 9 with, that he partied with when he was younger, people who
02:45PM 10 he'd even been around drugs with before he became a DEA agent.
02:45PM 11 All of this was against the backdrop of his
02:45PM 12 relationship with the defendant. Against the backdrop of the
02:45PM 13 defendant's grandfather being that reputed leader of Italian
02:45PM 14 Organized Crime crime in Buffalo. You see, Bongiovanni's own
02:45PM 15 father was friends with other guys who were in that same
02:45PM 16 reputed organization, Italian Organized Crime organization
02:45PM 17 with this defendant's grandfather.
02:45PM 18 You'll hear about Bongiovanni's father's friends that
02:45PM 19 he would brag about or talk about. You'll learn that
02:45PM 20 Bongiovanni's father was a card player who used to like to go
02:46PM 21 play cards in the North Buffalo neighborhood where he grew up
02:46PM 22 at a reputed Italian Organized Crime gambling spot called 1234
02:46PM 23 Hertel. You'll hear about how Bongiovanni would boast and
02:46PM 24 comment about these relationships or pay respect to guys that
02:46PM 25 growing up who he thought were connected in that way.

02:46PM 1 You'll hear him even -- that he talked to a good
02:46PM 2 friend of his about an uncle who was involved in organized
02:46PM 3 crime in Las Vegas. So that was Bongiovanni's value system,
02:46PM 4 not the oath that he took to serve the United States as a
02:46PM 5 public servant or the DEA.

02:46PM 6 With that background and that value system and that
02:46PM 7 financial need, overlay that as the proof will with his
02:46PM 8 relationship and loyalty to Gerace personally, and you have
02:46PM 9 the corrupt agreement between them.

02:46PM 10 You'll even learn from an ex-girlfriend of
02:46PM 11 Bongiovanni's that he expressed to her that he felt torn
02:47PM 12 between his job, that is his oath and duty to the DEA to
02:47PM 13 enforce the laws of the United States, and his friends like
02:47PM 14 this defendant who was a drug-using, drug-dealing strip club
02:47PM 15 owner that the evidence will show.

02:47PM 16 Bongiovanni chose loyalty this defendant, right here.
02:47PM 17 And together, they defrauded the United States.

02:47PM 18 You'll learn about what they did in 2005, for
02:47PM 19 example. See, Bongiovanni was a federal agent, and as
02:47PM 20 opportunities arose, and they sure did, because the defendant
02:47PM 21 was continuously committing crimes, Bongiovanni jumped in to
02:47PM 22 help the defendant. So let's talk about that.

02:47PM 23 We'll go back to 2005. This will be the first
02:47PM 24 evidence of Bongiovanni leaking law-enforcement sensitive
02:47PM 25 information directly to this defendant.

02:47PM 1 See, in 2005, the DEA was at the scene of a search
02:47PM 2 warrant of a guy named Craig Border's house. Craig Border
02:48PM 3 really isn't important in the grand scene scheme of things.
02:48PM 4 But he was a marijuana dealer. The DEA was there in a totally
02:48PM 5 unrelated investigation in '05. But Bongiovanni's there, and
02:48PM 6 when they're executing a search warrant, the DEA, sworn
02:48PM 7 agents, are still supposed to follow the rules, they're still
02:48PM 8 supposed to be respectful. What they see and what they know
02:48PM 9 inside somebody's house is only supposed to be used for
02:48PM 10 legitimate purposes in a criminal case, for a prosecution, an
02:48PM 11 arrest, an investigation. It's law-enforcement sensitive
02:48PM 12 information. It's not to be shared with members of the
02:48PM 13 general public. But that's what Bongiovanni did.

02:48PM 14 Because when he was in Craig Border's house, he saw
02:48PM 15 pictures, pictures of a woman named RuthAnn Arida, who, by
02:48PM 16 that point, was dating the defendant.

02:48PM 17 Now, RuthAnn went on to become the mother of this
02:48PM 18 defendant's child, and I think she married him. You'll hear
02:49PM 19 proof of that. She'll reluctantly testify.

02:49PM 20 But Bongiovanni leaked that information about the
02:49PM 21 intimate photos of Arida wearing a Playboy Bunny outfit that
02:49PM 22 were in Border's residence. Border will tell you after that
02:49PM 23 search he never saw those photos again. And the defendant
02:49PM 24 used that inside information that a private citizen should not
02:49PM 25 have had of what was at Craig Border's house, when he got mad

02:49PM 1 at RuthAnn, the defendant used at it and confronted her.

02:49PM 2 That's how she learned Bongiovanni, who she had met before,
02:49PM 3 was a DEA agent.

02:49PM 4 That's an example of the leaking that occurred.

02:49PM 5 It's an example that you'll see of Bongiovanni
02:49PM 6 starting to prove his worth, his willingness to violate that
02:49PM 7 oath and duties to work for the defendant.

02:49PM 8 That was a personal matter. But then it went from
02:49PM 9 there. And you'll see the pattern that will develop through
02:49PM 10 the course of the trial will show you what their agreement
02:49PM 11 was.

02:49PM 12 Because the next thing that happens is around 2007 or
02:49PM 13 2008, at that point, Gerace has a new love interest. A
02:50PM 14 different dancer that he's doing cocaine with, Amy P. Amy
02:50PM 15 Potrzebowski. She was a Pharaoh's dancer who developed an
02:50PM 16 intimate relationship with the defendant. They shared
02:50PM 17 cocaine. The defendant would send her to get cocaine.
02:50PM 18 Eventually, Amy sold cocaine at Pharaoh's. She was an
02:50PM 19 employee of his.

02:50PM 20 Well, what happened, while he was with Amy, and after
02:50PM 21 Amy met the defendant -- met Bongiovanni through the defendant
02:50PM 22 a couple of times, this defendant handed Joseph Bongiovanni's
02:50PM 23 official DEA business card to Amy P. and said here, have this.
02:50PM 24 You can use it to get out of trouble. The literal get-out-of-
02:50PM 25 jail-free card.

02:50PM 1 Those are the instructions this defendant gave to
02:50PM 2 Amy.

02:50PM 3 That one sentence tells you in this defendant's own
02:50PM 4 words what the corrupt relationship was between Bongiovanni
02:51PM 5 and the defendant. But there's more. Because you'll learn
02:51PM 6 about several instances where Bongiovanni went on to kill both
02:51PM 7 a DEA and an FBI investigation that were brewing as to this
02:51PM 8 defendant that could have led to his arrest and prosecution
02:51PM 9 many years earlier. Let's go back to 2009.

02:51PM 10 So after Amy P. has the get-out-of-jail-free card,
02:51PM 11 now we're in 2009. And at that point in time, you'll learn
02:51PM 12 the defendant was on federal supervised release under
02:51PM 13 supervision by the U.S. Probation Department. U.S. Probation
02:51PM 14 got word from the Federal Bureau of Investigation that the
02:51PM 15 defendant was violating certain conditions that he had. At
02:51PM 16 the time, he had a condition that didn't permit him to be at
02:51PM 17 Pharaoh's. So U.S. Probation, under their authority, did a
02:51PM 18 search of Pharaoh's.

02:51PM 19 When U.S. Probation did the search at Pharaoh's, the
02:51PM 20 FBI agent who had passed along the information and
02:51PM 21 intelligence, he was there. You'll hear from him. His name
02:52PM 22 is FBI Special Agent Tom Herbst. He was interested in talking
02:52PM 23 to the defendant and seeing if the defendant would be
02:52PM 24 interested in helping him into a larger investigation that
02:52PM 25 Herbst wanted to pursue, an investigation into Italian

02:52PM 1 Organized Crime.

02:52PM 2 Well, Herbst was there, he met the defendant, and
02:52PM 3 very quickly developed the understanding in his mind that the
02:52PM 4 defendant wasn't interested in working for the FBI or law
02:52PM 5 enforcement. But, the defendant had a concern, not about the
02:52PM 6 U.S. Probation stuff really, but you'll learn the defendant's
02:52PM 7 concern was the fact that the FBI was there. So, the
02:52PM 8 defendant used his corrupt insider in federal law enforcement
02:52PM 9 against the FBI.

02:52PM 10 He called Special Agent Bongiovanni, and Bongiovanni
02:52PM 11 got right to work. The get-out-of-jail-free-card guy got
02:52PM 12 right to work. That's what the evidence is going to show.

02:52PM 13 Bongiovanni did two things. First, he used the aura,
02:52PM 14 his influence as a DEA agent, to contact probation, gets some
02:53PM 15 information about what was happening, slow the process with
02:53PM 16 the U.S. Probation down. Falsely represented to the
02:53PM 17 U.S. Probation officer that the defendant was willing to
02:53PM 18 cooperate against significant drug dealers essentially to stay
02:53PM 19 out on release. You're then gonna hear, you'll learn through
02:53PM 20 the evidence, that that was a lie that Bongiovanni told
02:53PM 21 probation.

02:53PM 22 The second thing, and more importantly, Bongiovanni
02:53PM 23 then pretended to his boss at DEA -- so you have a DEA agent
02:53PM 24 pretending to their boss at DEA, he says, and he writes a
02:53PM 25 report, Bongiovanni represents to his own boss falsely in a

02:53PM 1 DEA report that this defendant is Bongiovanni's confidential
02:53PM 2 source with the DEA. That means he's someone who's signed up
02:53PM 3 or providing information working with the DEA to catch
02:53PM 4 criminals. That's what you'll learn a confidential source is.

02:53PM 5 In truth, the defendant was never and never was any
02:54PM 6 type of DEA confidential source or any type of law enforcement
02:54PM 7 helper. It was the sham, the ruse, the lie that Bongiovanni
02:54PM 8 was telling his boss and falsely writing into his report to
02:54PM 9 get official cover so his boss would say, well, coordinate
02:54PM 10 with the FBI. Because Bongiovanni falsely wrote that he was
02:54PM 11 coordinating with the FBI. Well, he got that information
02:54PM 12 during the call to U.S. Probation.

02:54PM 13 So Bongiovanni got enough information to get that
02:54PM 14 official cover through that false report where he lies about
02:54PM 15 this defendant's status. So the boss says, meet with the FBI.
02:54PM 16 Bongiovanni does that.

02:54PM 17 But what it was, was the defendant and Bongiovanni
02:54PM 18 pursuant to their corrupt agreement, working a scam, a sham.
02:54PM 19 So what happens is Bongiovanni sets up a meeting with that FBI
02:54PM 20 agent who tried to interview Gerace, Special Agent Tom Herbst.
02:54PM 21 But the manner in which Bongiovanni acted was all designed to
02:55PM 22 let -- to lead Special Agent Herbst to believe that this
02:55PM 23 defendant was a DEA confidential source which would
02:55PM 24 immediately signal to the FBI, let's back off our
02:55PM 25 investigation. DEA's -- he's DEA's guy, he's their source,

02:55PM 1 they're dealing with him.

02:55PM 2 So that's the signalling that you'll learn was
02:55PM 3 happening when -- when Herbst and Bongiovanni were talking on
02:55PM 4 the phone to set up that arrangement, that meeting.

02:55PM 5 In the meeting, in the phone call, Bongiovanni tells
02:55PM 6 Herbst don't bring your partner to the meeting. An odd
02:55PM 7 request. But what did it do? It limited the amount of
02:55PM 8 witnesses to the meeting between Bongiovanni and Herbst, and
02:55PM 9 it sent further signals that, gees, this guy -- this defendant
02:55PM 10 must be Bongiovanni's source because law enforcement, you'll
02:55PM 11 learn, is even protective and secretive of their sources from
02:55PM 12 other agencies. Those types of identities are closely
02:55PM 13 guarded.

02:56PM 14 So the manner in which Bongiovanni was acting without
02:56PM 15 saying a word is signalling to another trained federal agent
02:56PM 16 he's their source. He's already putting Special Agent Herbst
02:56PM 17 in the mindset of not pursuing his investigation into Gerace.
02:56PM 18 Because you'll learn that Herbst had information from dancers
02:56PM 19 about drug dealing at Pharaoh's. In fact, you may learn one
02:56PM 20 of the witnesses he had spoken to at the time was Gabby back
02:56PM 21 in '09.

02:56PM 22 So, Herbst gets invited to a meeting at the DEA's new
02:56PM 23 office at the Electric Tower building here in downtown
02:56PM 24 Buffalo. But then Bongiovanni gives Herbst, the FBI agent, at
02:56PM 25 tour, and they end up on the mezzanine level. Not in a

02:56PM 1 private part of the office, the public mezzanine, to have a
02:56PM 2 discussion about official business? And then it gets even
02:56PM 3 weirder from there.

02:56PM 4 Because as you'll hear Herbst explain it, Bongiovanni
02:56PM 5 starts asking Herbst about his case, and he starts getting
02:56PM 6 some details.

02:57PM 7 Well, then Special Agent Bongiovanni, the part of his
02:57PM 8 agreement involved -- that he with this defendant involved
02:57PM 9 dissuading other members of law enforcement from pursuing
02:57PM 10 investigations. So what does Bongiovanni say pursuant to the
02:57PM 11 agreement that he had with this defendant?

02:57PM 12 Well, he hears about the case, and he offers an
02:57PM 13 opinion. He says no prosecutor is gonna prosecute that case.

02:57PM 14 Well, Special Agent Herbst had already talked to a
02:57PM 15 prosecutor at the U.S. Attorney's Office, and he said I
02:57PM 16 actually already talked to so-and-so, and he said they will.

02:57PM 17 Well, Bongiovanni didn't like that, so he pressed on.
02:57PM 18 And then the meeting took an even stranger turn, because the
02:57PM 19 defendant -- this defendant showed up to the meeting at the
02:57PM 20 mezzanine level with Herbst and Bongiovanni.

02:57PM 21 Then Bongiovanni starts saying things about the
02:57PM 22 defendant to Special Agent Herbst, like, I've known this kid
02:57PM 23 from a long time -- for a long time.

02:58PM 24 There was no substance to the meeting. There was no
02:58PM 25 offer of help with investigations of drug traffickers. It was

02:58PM 1 all a scam and a ruse, and it effectively made Special Agent
02:58PM 2 Herbst believe this defendant was Bongiovanni's informant. He
02:58PM 3 left that meeting after talking with Bongiovanni and the
02:58PM 4 defendant, and he shut down his case. He didn't pursue an
02:58PM 5 investigation into Gerace anymore. He figured Gerace was the
02:58PM 6 DEA's informant, so he moved on to other things.

02:58PM 7 Working together, pursuant to their agreement,
02:58PM 8 Bongiovanni violated his oath and duties, protected the
02:58PM 9 defendant, they did it together, they duped and scammed the
02:58PM 10 FBI agent. They tricked him. They tricked him into believing
02:58PM 11 Gerace would be investigated by DEA, or that he was their
02:58PM 12 source.

02:58PM 13 It went on from there.

02:59PM 14 In June of 2016, Bongiovanni seizes upon another
02:59PM 15 opportunity to help his friend. You'll learn around that time
02:59PM 16 a DEA agent named Tony Casullo, who was from Buffalo
02:59PM 17 originally but he was a new DEA agent in the Buffalo office,
02:59PM 18 he was experienced, he wanted to do an investigation into
02:59PM 19 Gerace.

02:59PM 20 Casullo and Gerace had actually gone to high school
02:59PM 21 together at Saint Joe's here in Buffalo. That didn't matter
02:59PM 22 to Casullo. He had developed information that the defendant
02:59PM 23 would have been a good federal target, so Casullo wanted to do
02:59PM 24 something about it.

02:59PM 25 As a common initial first step in a DEA case, the

02:59PM 1 first thing Casullo wanted to do was to subpoena phone records
02:59PM 2 for the defendant. But at that point, Casullo knew that there
02:59PM 3 was at least some relationship between Bongiovanni and this
02:59PM 4 defendant, but he had no idea the extent or true nature of
02:59PM 5 their relationship at the time.

02:59PM 6 So to cover his bases, Casullo told his DEA
03:00PM 7 supervisor, hey, I'm gonna subpoena these phone records for
03:00PM 8 this target, Peter Gerace, but I think Bongiovanni's phone
03:00PM 9 number might be in the records just so you know.

03:00PM 10 The boss told him, do your investigation, subpoena
03:00PM 11 the records, we'll deal with it if that happens.

03:00PM 12 So Casullo moved forward. He subpoenaed this
03:00PM 13 defendant's phone records. And as expected, the phone records
03:00PM 14 showed that Bongiovanni's DEA phone number was in contact with
03:00PM 15 this defendant.

03:00PM 16 Sure enough, Bongiovanni found out that Casullo
03:00PM 17 subpoenaed Gerace's phone records and that Bongiovanni's
03:00PM 18 number was in them. Bongiovanni was angry, he was not happy.
03:00PM 19 Like in any often situation, there was tension now between
03:00PM 20 Special Agent Bongiovanni and Special Agent Casullo about the
03:00PM 21 defendant.

03:00PM 22 One day, to break the tension, Casullo asked
03:00PM 23 Bongiovanni if they could talk privately. Bongiovanni agreed,
03:01PM 24 so they stepped into a conference room together.

03:01PM 25 At that point, Bongiovanni seized upon the

03:01PM 1 opportunity to further execute on his agreement with this
03:01PM 2 defendant to try to dissuade Casullo from pursuing his
03:01PM 3 investigation, his DEA investigation into Gerace, just like it
03:01PM 4 had worked in 2009 when they successfully stifled and
03:01PM 5 dissuaded FBI Special Agent Herbst from pursuing the
03:01PM 6 defendant.

03:01PM 7 So with the two of them, Bongiovanni and Casullo
03:01PM 8 alone in a DEA conference room, Casullo says something to
03:01PM 9 Bongiovanni like, you seem upset. What's going on? I'd like
03:01PM 10 to get past this.

03:01PM 11 Bongiovanni, physically larger than Casullo,
03:01PM 12 immediately blustered, intent upon shutting Casullo down, and
03:01PM 13 what he said successfully shut the investigation down.
03:02PM 14 Bongiovanni blustered to Casullo, who is an Italian himself,
03:02PM 15 do you hate Italians?

03:02PM 16 Casullo said, no, I don't hate Italians. My family's
03:02PM 17 Italian.

03:02PM 18 Bongiovanni next angrily says, because we should be
03:02PM 19 investigating the "N" word, and the "S" word.

03:02PM 20 Using the racially derogatory terms for black and
03:02PM 21 Hispanic people. It stunned Casullo. It set him back on his
03:02PM 22 heels. It shook him to his core. Those horrific words
03:02PM 23 stopped him in his tracks and it stopped the investigation.

03:02PM 24 But Bongiovanni didn't stop there. His next words in
03:02PM 25 his anger, in his excited state, he said because that kid --

03:02PM 1 referring to this defendant, just like he had referred to him
03:02PM 2 as a kid to Herbst in 2009 -- called me one time when a dancer
03:02PM 3 overdosed at Pharaoh's, and I told him to get her out of
03:02PM 4 there.

03:02PM 5 Matching the advice the defendant provided to Doug
03:03PM 6 Augustyniak.

03:03PM 7 Casullo was stopped in his tracks. Bongiovanni
03:03PM 8 successfully dissuaded him from pursuing that.

03:03PM 9 Casullo will testify here. He'll acknowledge for you
03:03PM 10 he was shocked and stunned. And he didn't immediately do the
03:03PM 11 right thing, he'll tell you that. He didn't immediately
03:03PM 12 report it to his supervisor. He lived with what he heard
03:03PM 13 unsure how to handle it. He'll explain to you he was
03:03PM 14 reluctant to report it to his DEA supervisors because he just
03:03PM 15 got to that office, Bongiovanni was a longtime respected agent
03:03PM 16 there, Casullo was worried that he would be ostracized in that
03:03PM 17 office. And he'll explain to you, a couple years later when
03:03PM 18 he did report it, that's exactly what happened.

03:03PM 19 But for Bongiovanni and this defendant, in June of
03:04PM 20 2016 and for months and years that followed, that blowup had
03:04PM 21 its intended effect. For the second time, Bongiovanni shut
03:04PM 22 down a federal investigation into this defendant and his
03:04PM 23 activities at Pharaoh's, because that was some of the
03:04PM 24 information Casullo had. The defendant's activities at
03:04PM 25 Pharaoh's.

03:04PM 1 Bongiovanni shut it down. The investigation into his
03:04PM 2 friend, this defendant. A friend that you'll know that they
03:04PM 3 traveled to Las Vegas together, that they've done cocaine with
03:04PM 4 each other together, that they've got on double dates
03:04PM 5 together, that they were routinely in phone contact and text
03:04PM 6 messages together.

03:04PM 7 Well about a year later, about a year after that,
03:04PM 8 Bongiovanni, knowing full well and with Casullo living with
03:04PM 9 what he had heard, Bongiovanni knowing full well that in 2009
03:04PM 10 an FBI agent had wanted to investigate Gerace for drugs, and
03:05PM 11 that in 2016, a DEA agent wanted to investigate Gerace for
03:05PM 12 drugs, this defendant called Special Agent Bongiovanni and
03:05PM 13 left him a message on his phone. He left a voicemail message
03:05PM 14 that you'll hear, because agents seized and searched Gerace's
03:05PM 15 phone, and they recovered this voicemail message.

03:05PM 16 In the message, Gerace called Bongiovanni and asked
03:05PM 17 whether law enforcement can, quote, ping a TracFone.

03:05PM 18 Now you'll learn a ping is a sensitive
03:05PM 19 law-enforcement technique wherein law enforcement can get a
03:05PM 20 search warrant to obtain information about a cell phone
03:05PM 21 location information, where the phone is. They use it to help
03:05PM 22 find where people are to do their investigations.

03:05PM 23 A TracFone is a prepaid phone often favored by drug
03:05PM 24 dealers, they call them -- the slang term is a "burner phone."

03:05PM 25 Well, on May 4th, 2017, the defendant leaves a

03:05PM 1 voicemail on his corrupt agent friend's DEA phone that was
03:06PM 2 retrieved when Gerace's phone was searched. And the defendant
03:06PM 3 asked Bongiovanni if law enforcement could ping a TracFone.

03:06PM 4 And Bongiovanni responds by text about this sensitive
03:06PM 5 law-enforcement technique that Bongiovanni should not have
03:06PM 6 been discussing with a member of the public, and particularly
03:06PM 7 not someone who had been the target of two federal
03:06PM 8 investigations. And Bongiovanni responds in a text, and
03:06PM 9 you'll see what he said, but essentially he said, yes, law
03:06PM 10 enforcement can ping a TracFone with a search warrant.

03:06PM 11 But there's more. By July of 2018, Bongiovanni's own
03:06PM 12 corruption, his relationship with Gerace started to come into
03:06PM 13 focus and under scrutiny by other members of law enforcement,
03:06PM 14 including Homeland Security, shortly after that the FBI, and
03:06PM 15 the Department of the Office of Inspector General. They were
03:07PM 16 interested in investigating Gerace at first, HSI was.

03:07PM 17 And Special Agent Casullo was in a meeting called a
03:07PM 18 proffer interview where he heard a witness talk about
03:07PM 19 Bongiovanni in the context of his relationship with Gerace.
03:07PM 20 This is the same Agent Casullo who had been shut down in June
03:07PM 21 of 2016, the same agent who this -- who Bongiovanni said
03:07PM 22 should be investigating the "N" word and the "S" word, the DEA
03:07PM 23 should, and not Gerace.

03:07PM 24 Well, at that point, not too long after that meeting,
03:07PM 25 where now Casullo is hearing Gerace again and Bongiovanni's

03:07PM 1 name connected to it, Casullo reported it. And Bongiovanni
03:07PM 2 became aware that Casullo reported it.

03:07PM 3 But there was much more to the investigation of
03:07PM 4 Bongiovanni that Bongiovanni wasn't aware of, so Bongiovanni
03:08PM 5 still had hope. He still had hope that he continued to work
03:08PM 6 hard to conceal his truly corrupt relationship with Gerace,
03:08PM 7 because concealing that corrupt relationship and the extent of
03:08PM 8 the protection and help that Bongiovanni had provided to this
03:08PM 9 defendant over the years was a key part of their corrupt
03:08PM 10 agreement. Key part of that charge in Count 1, and a key part
03:08PM 11 of why there were bribes as charged in Count 2.

03:08PM 12 So Bongiovanni kept trying hard to keep their corrupt
03:08PM 13 relationship, meaning his and the defendant's, a secret.

03:08PM 14 In November of 2018, Bongiovanni wrote a false memo
03:08PM 15 to his DEA supervisors about his relationship and the extent
03:08PM 16 of his communications with Gerace. What he wrote in that
03:08PM 17 official DEA report was false, and it was in furtherance of
03:08PM 18 their criminal scheme, because if Bongiovanni could convince
03:08PM 19 them that they weren't close, he could convince his
03:08PM 20 supervisors they weren't close, maybe people would stop
03:09PM 21 digging and the corrupt relationship would remain concealed.

03:09PM 22 This was part of their corrupt agreement.

03:09PM 23 In December of 2018, Bongiovanni wrote another memo
03:09PM 24 with the same type of misrepresentations about the nature and
03:09PM 25 extent of his relationship with Defendant Gerace to conceal

03:09PM 1 the conspiracy for the same reasons.

03:09PM 2 In January of 2019, Bongiovanni wrote another false
03:09PM 3 memo. This time, the false memo that he wrote to his bosses
03:09PM 4 was a little different. In that memo, he actually tried to
03:09PM 5 say that it was actually Anthony Casullo who was friends with
03:09PM 6 the defendant. You won't pictures of Anthony Casullo with
03:09PM 7 this defendant in Las Vegas, you'll see Special Agent
03:09PM 8 Bongiovanni in pictures with this defendant in Las Vegas at
03:09PM 9 Cirque de Soleil in 2011.

03:09PM 10 So those false statements, though, were part of the
03:09PM 11 agreement, part of trying to conceal their decades of
03:09PM 12 corruption.

03:09PM 13 February 1st, Bongiovanni's -- now he's -- his hasty
03:10PM 14 retirement from the DEA is upon, he turns in his phone. It's
03:10PM 15 wiped. Nothing's on it. It's wiped.

03:10PM 16 He also leaves, he takes a box out of the DEA with
03:10PM 17 him, conceals it, takes it out. And in that box, there was
03:10PM 18 information about individuals, drug dealers, suspected drug
03:10PM 19 dealers, that were connected to both Bongiovanni and this
03:10PM 20 defendant. And it had information about Anthony Gerace, in
03:10PM 21 the box. Stole it from the DEA. DEA didn't know it at the
03:10PM 22 time.

03:10PM 23 So now by March of 2019, March 29th, actually,
03:10PM 24 Bongiovanni is now in retirement is asked, hey, will you come
03:10PM 25 for an interview? DOJ Office of Inspector General wants to

03:10PM 1 interview Bongiovanni. Bongiovanni agrees.

03:10PM 2 And in that interview, he again lies and minimizes
03:11PM 3 about his relationship with Gerace, trying to lie to them
03:11PM 4 because if they believe the lie, the investigations will stop,
03:11PM 5 and he'll shut it down just like he did in '09 and 2016, and
03:11PM 6 Bongiovanni and this defendant -- we wouldn't be here today.

03:11PM 7 So Bongiovanni lies in that interview.

03:11PM 8 June 6th, 2019, Bongiovanni's house is searched by
03:11PM 9 the FBI, Homeland Security, DOJ OIG. They find that box that
03:11PM 10 Bongiovanni removed from the DEA without permission or
03:11PM 11 authorization. Bongiovanni gives another interview to an HSI
03:11PM 12 agent named Curtis Ryan who you'll hear from. He makes more
03:11PM 13 lies and false statements, further minimizing his relationship
03:11PM 14 with Gerace, further trying convince them there's -- to stop
03:11PM 15 digging, essentially. All lies.

03:11PM 16 Just like everything Bongiovanni did with respect to
03:11PM 17 this defendant the prior ten years, all to further their
03:12PM 18 criminal scheme to keep it concealed.

03:12PM 19 At the end of the day, Bongiovanni protected the
03:12PM 20 defendant. He did it for envelopes of cash, out of
03:12PM 21 friendship, loyalty, and for his affinity for this defendant's
03:12PM 22 Italian Organized Crime reputed family lineage.

03:12PM 23 He also did it because that's the stronghold this
03:12PM 24 defendant has on people. It extended to a corrupt federal
03:12PM 25 agent.

03:12PM 1 So then fast forwarding a little bit, Bongiovanni,
03:12PM 2 you'll learn, was charged in late October of 2019. And by
03:12PM 3 early November 2019, Bongiovanni's charges were public.
03:12PM 4 Defendant wasn't charged at that time.

03:12PM 5 Bongiovanni's charges were reported in the news.
03:12PM 6 This defendant became aware of them.

03:12PM 7 And on December 12th, 2019, about a month after
03:12PM 8 Bongiovanni's own charges became public, Homeland Security and
03:13PM 9 other law enforcement agents executed search warrants at
03:13PM 10 Pharaoh's, and at the defendant's residence. The defendant
03:13PM 11 was not there, he was out of town.

03:13PM 12 Around that time, around the time, though, that
03:13PM 13 Bongiovanni's charges became public, the defendant started
03:13PM 14 trying to take his -- matters into his own hands. With
03:13PM 15 Bongiovanni no longer in a firm position to protect him and
03:13PM 16 with it now clear that law enforcement's focus was upon him,
03:13PM 17 Bongiovanni had just been charged and arrested, the defendant
03:13PM 18 tried to intimidate and tamper with witnesses.

03:13PM 19 He focused in on two people who you'll learn this
03:13PM 20 defendant thought were a problem for him, two people that will
03:13PM 21 testify. One he focused in on his ex-wife, Katrina, someone
03:13PM 22 who knew the defendant sent prominent men, including Judge
03:13PM 23 Michalski and others, up with drug-addicted women, women who
03:13PM 24 were vulnerable and coerced to engage in those commercial sex
03:13PM 25 acts in that upstairs. Someone who knew the defendant

03:14PM 1 maintained Pharaoh's as a drug involved haven. Someone who
03:14PM 2 knew the defendant provided envelopes of cash to Bongiovanni.
03:14PM 3 You'll even hear under Gerace's instructions Katrina herself
03:14PM 4 provided envelopes of cash to Bongiovanni.

03:14PM 5 And he focused in on Phlycia Hunt, someone who knew
03:14PM 6 that this defendant did cocaine with Bongiovanni. Someone who
03:14PM 7 knew that the defendant set up a prominent person, Russell
03:14PM 8 Salvatore, for a weekend with a Pharaoh's dancer. Someone who
03:14PM 9 knew the defendant's pervasive drug distribution and
03:14PM 10 activities at Pharaoh's.

03:14PM 11 He focused in on those two.

03:14PM 12 Phlycia Hunt first came on to federal law enforcement
03:14PM 13 radar after she was arrested in April of 2019 by members of
03:14PM 14 the Amherst Police Department, one of whom has a relationship
03:14PM 15 with the defendant.

03:15PM 16 You'll learn that she was initially interviewed by
03:15PM 17 federal law enforcement after that Amherst arrest, and not too
03:15PM 18 long after that, months later, when the defendant realized he
03:15PM 19 was under scrutiny, he deduced that she was a likely
03:15PM 20 cooperator.

03:15PM 21 So one night, November 19th, 2009, this is now the
03:15PM 22 grouping of Count 6 through 9 in the indictment, after doing
03:15PM 23 cocaine in his mansion in his basement in Clarence, he was
03:15PM 24 with two women, Crystal and Charlene, and they sent
03:15PM 25 threatening messages to Ms. Hunt calling her a snitch over

03:15PM 1 Facebook. So here's what happened.

03:15PM 2 First, the defendant gave them cocaine in his
03:15PM 3 basement, that is, he distributed to them. You don't need a
03:15PM 4 payment of money. He distributed them cocaine.

03:15PM 5 Then he started complaining about Hunt being a
03:15PM 6 snitch, knowing just how Crystal and Charlene, women who
03:15PM 7 worked at Pharaoh's, women who at the time were loyal to him,
03:16PM 8 would react. They got fired up. He stoked the flames, and
03:16PM 9 focused the conversation on Hunt. And with his words and
03:16PM 10 intentions ringing in their ears as he sat right next to them,
03:16PM 11 they threatened Hunt over Facebook.

03:16PM 12 The defendant wasn't charged yet. And they were
03:16PM 13 trying to stifle Hunt's cooperation with law enforcement.

03:16PM 14 You'll hear Charlene, and you'll see the messages for
03:16PM 15 yourself. Crystal sent those Facebook messages using
03:16PM 16 Charlene's account to Phlycia Hunt, identifies herself in the
03:16PM 17 messages, calls Hunt a rat, a very negative connotation. It's
03:16PM 18 not a good thing to be outed as a rat when you're talking
03:16PM 19 about drug dealers and sex traffickers. And the other -- and
03:16PM 20 what she said left Hunt in fear for her safety, in fear of the
03:16PM 21 defendant.

03:16PM 22 This happened after Hunt talked to law enforcement,
03:17PM 23 and after the first time she testified before the grand jury.
03:17PM 24 She testified twice.

03:17PM 25 After that, the defendant sued Hunt and his ex-wife

03:17PM 1 Ms. Nigro in state court, women with little to no means,
03:17PM 2 especially compared to him as part of his effort to silence
03:17PM 3 them, because he was afraid of what they knew. He had a
03:17PM 4 guilty state of mind. He never stopped trying to exploit,
03:17PM 5 manipulate, and coerce those around him. He did it for years,
03:17PM 6 and got away with it.

03:17PM 7 Members of the jury, the evidence is going to show
03:17PM 8 you that this defendant used money, power, and control, the
03:17PM 9 ingredients of coercion, to exploit those dancers and
03:17PM 10 everything and everyone around him at Pharaoh's for his gain.
03:17PM 11 He coerced young vulnerable women with drugs in exchange for
03:17PM 12 sex with him, his friends, and his customers. He used a
03:18PM 13 corrupt law enforcement agent to shield him from detection,
03:18PM 14 and to allow his crimes to continue for a decade.

03:18PM 15 And when his back was against the wall, he tampered
03:18PM 16 with a witness using his friends and proxies.

03:18PM 17 Every one of the things the defendant did goes back
03:18PM 18 to the same thing, though: Money, power, control, coercion.

03:18PM 19 We're gonna to prove these case by calling a lot of
03:18PM 20 witnesses: Dancers, victims, employees, patrons of Pharaoh's,
03:18PM 21 members of law enforcement.

03:18PM 22 You'll see photographs of Bongiovanni and Gerace
03:18PM 23 together in various settings. You'll see their text messages.
03:18PM 24 You'll hear about their phone records, you'll see the phone
03:18PM 25 records. You'll see the false reports Bongiovanni wrote and

03:18PM 1 the false things he said in those reports. You'll hear about
03:18PM 2 his false statements to law enforcement trying to conceal the
03:18PM 3 corrupt relationship for the benefit of this defendant and
03:18PM 4 himself as part of their conspiracy. And all of that evidence
03:18PM 5 will come together and corroborate and support each other such
03:19PM 6 that no single witness or no piece of evidence will stand
03:19PM 7 alone, but rather, all layered and corroborative of each other
03:19PM 8 proving beyond a reasonable doubt, well beyond a reasonable
03:19PM 9 doubt, the elements of every crime the defendant's charged
03:19PM 10 with.

03:19PM 11 These women dancers, these victims, they're gonna
03:19PM 12 walk in here, they're gonna sit in that chair, and tell you
03:19PM 13 their deepest darkest secrets. None of them aspired to be
03:19PM 14 sexual play things for the defendant and his friends. None of
03:19PM 15 them believed they would cross the line to commercial sex, but
03:19PM 16 they'll tell you how it happened for them. They'll tell you
03:19PM 17 how the defendant and others working with him preyed on their
03:19PM 18 vulnerabilities, and used drugs and the drug addictions they
03:19PM 19 had to do it.

03:19PM 20 But remember this, and what the proof is going to
03:19PM 21 show, the defendant chose them. The defendant chose them.
03:19PM 22 They were his business model, and he got rich off of their
03:19PM 23 bodies.

03:19PM 24 He picked the most vulnerable that he could control
03:20PM 25 because he believed those vulnerabilities were an insurance

03:20PM 1 policy.

03:20PM 2 So let me say a final word about the women who you're
03:20PM 3 going to hear from that were victimized.

03:20PM 4 As I told you right now, by this point, each of them
03:20PM 5 were vulnerable in their own ways. All of them became
03:20PM 6 addicted to drugs, or their addictions worsened exponentially,
03:20PM 7 through the drugs the defendant fed them. The defendant and
03:20PM 8 others at Pharaoh's.

03:20PM 9 Their vulnerability, their addictions, their frailty,
03:20PM 10 it was part of his business model. Part of the reason he
03:20PM 11 controlled them through their addictions so that if this day
03:20PM 12 ever came where the defendant's conduct came to light, he
03:20PM 13 would use their vulnerability, their history of addiction,
03:20PM 14 their frailty, against them as his insurance policy to
03:21PM 15 discredit them so that nobody will believe them.

03:21PM 16 The evidence will show that the defendant
03:21PM 17 underestimated them. And one by one, they'll come into this
03:21PM 18 courtroom, sit in this chair, and tell you exactly how the
03:21PM 19 defendant and others exploited their addictions, their
03:21PM 20 vulnerability, their frailty, and how he knew exactly how to
03:21PM 21 get them to behave and to coerce them to behave in ways they
03:21PM 22 are not proud of.

03:21PM 23 And that evidence, through their testimony of their
03:21PM 24 vulnerability, addiction, and frailties, the same things he
03:21PM 25 thought would protect him if this day ever came, will bind him

03:21PM 1 to justice and will prove his guilt beyond a reasonable doubt.

03:21PM 2 Taken all together, all of the evidence will prove to
03:21PM 3 you that for years, he conspired with others to coerce young
03:21PM 4 vulnerable women to engage in sexual activities, sex acts at
03:22PM 5 Pharaoh's, and he used drugs as the tool of the trade to do it
03:22PM 6 from his drug-involved fiefdom headquartered at Pharaoh's, the
03:22PM 7 headquarters of his drug and sex schemes.

03:22PM 8 The evidence will prove that he leveraged his corrupt
03:22PM 9 relationships with a corrupt federal agent to protect him for
03:22PM 10 years out of friendship, loyalty, in exchange for cash. And
03:22PM 11 it will show you beyond a reasonable doubt that when it all
03:22PM 12 started to erode, he tried to tamper with a witness and take
03:22PM 13 matters into his own hands with the help of his associates to
03:22PM 14 tamper with a witness.

03:22PM 15 Gabby can't rewind time. But she can, along with
03:22PM 16 other dancers, and she, along with other dancers, will tell
03:22PM 17 you what the defendant and others did to them, and what he
03:22PM 18 agreed to help others do to them.

03:22PM 19 By the end of this trial, when you've seen and heard
03:23PM 20 it all, that evidence will establish beyond a reasonable doubt
03:23PM 21 this defendant groomed these young women and coerced them to
03:23PM 22 engage in commercial sex acts, serving up drugs through his
03:23PM 23 strip club to make sure it happened, protected by a corrupt
03:23PM 24 federal agent.

03:23PM 25 And at that time, I'm going to come back here and ask

03:23PM 1 you to return the only verdict consistent with the evidence,
03:23PM 2 consistent with the facts, a verdict of guilty on each and
03:23PM 3 every count.

03:23PM 4 Thank you.

5 (Excerpt concluded at 3:23 p.m.)

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CERTIFICATE OF REPORTER

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14 In accordance with 28, U.S.C., 753(b), I
15 certify that these original notes are a true and correct
16 record of proceedings in the United States District Court for
17 the Western District of New York on November 6, 2024.

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s/ Ann M. Sawyer

Ann M. Sawyer, FCRR, RPR, CRR
Official Court Reporter
U.S.D.C., W.D.N.Y.

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